National Defence / Défense nationale

DEPARTMENT OF NATIONAL DEFENCE AND THE CANADIAN ARMED FORCES

2014-15

DEPARTMENTAL PERFORMANCE REPORT

Canada

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Table of Contents

MINISTER'S MESSAGE 1

EXECUTIVE SUMMARY 3

SECTION I: ORGANIZATIONAL EXPENDITURE OVERVIEW 7

ORGANIZATIONAL PROFILE 7

ORGANIZATIONAL CONTEXT 8

Raison d'être and Responsibilities 8

Strategic Outcomes and Program Alignment Architecture 9

Organizational Priorities 12

Risk Analysis 21

ACTUAL EXPENDITURES 26

Budgetary Performance Summary for Strategic Outcomes and Programs (dollars) 28

ALIGNMENT OF SPENDING WITH THE WHOLE-OF-GOVERNMENT FRAMEWORK 30

DEPARTMENTAL SPENDING TREND 31

ESTIMATES BY VOTE 31

SECTION II: ANALYSIS OF PROGRAMS BY STRATEGIC OUTCOME 33

STRATEGIC OUTCOME 1: DEFENCE OPERATIONS AND SERVICES IMPROVE STABILITY AND SECURITY, AND PROMOTE CANADIAN INTERESTS and VALUES 33

Program 1.0: Defence Combat and Support Operations 33

Sub-Program 1.1: Domestic and Continental Defence Operations 35

Sub-Sub-Program 1.1.1: Operations to Defend Canada Against Armed Threats 36

Sub-Sub-Program 1.1.2: Ongoing Defence, Security and Sovereignty of Canada Operations 36

Sub-Sub-Program 1.1.3: Ongoing Defence Operations through NORAD 38

Sub-Sub-Program 1.1.4: Ongoing Continental Defence Operations in Cooperation with the United States 39

Sub-Program 1.2: International Combat Operations 41

Sub-Sub-Program 1.2.1: International Operations over Extended Periods 42

Sub-Sub-Program 1.2.2: International Crisis and Surge Response Operations 43

Sub-Sub-Program 1.2.3: Ongoing Defence Operations through Standing NATO Commitments 44

Sub-Program 1.3: Ongoing Centralized Operations and Operational Enablement 45

Sub-Sub-Program 1.3.1: Overarching Command and Control of Domestic and International Operations 46

Sub-Sub-Program 1.3.2: Ongoing Defence Intelligence Operations 48

Sub-Sub-Program 1.3.3: Operational Support Services 49

Sub-Sub-Program 1.3.4: Military Diplomacy and Global Engagement 51

Program 2.0: Defence Services and Contributions to Government 53

Sub-Program 2.1: Disaster Relief and Humanitarian Operations 54

Sub-Sub-Program 2.1.1: Domestic and Continental Assistance and Response Operations 54

Sub-Sub-Program 2.1.2: International Humanitarian Assistance and Disaster Response Operations 56

Sub-Sub-Program 2.1.3: Non-Combatant Evacuation Operations 57

Sub-Program 2.2: Defence Services for Canadian Safety and Security 58

Sub-Sub-Program 2.2.1: Counter Terrorism, Terrorism Event Response and Consequence Management Operations 58

Sub-Sub-Program 2.2.2: Assistance to Major Canadian Event Operations 59

Sub-Sub-Program 2.2.3: National Search and Rescue Program 60

Sub-Sub-Program 2.2.4: Search and Rescue Operations 61

Sub-Sub-Program 2.2.5: Defence Services to Other Government Departments and Agencies 63

Sub-Sub-Program 2.2.6: Canadian Safety and Security Program 64

Sub-Program 2.3: Military Heritage and Outreach 66

Sub-Sub-Program 2.3.1: Military History, Heritage and Awareness 66

Sub-Sub-Program 2.3.2: Youth Program 68

STRATEGIC OUTCOME 2: DEFENCE REMAINS CONTINUALLY PREPARED TO DELIVER NATIONAL DEFENCE AND DEFENCE SERVICES IN ALIGNMENT WITH CANADIAN INTERESTS AND VALUES 70

Program 3.0: Defence Ready Force Element Production....70
Sub-Program 3.1: Force Elements Readiness Sustainment....71
Sub-Sub-Program 3.1.1: Maritime Roles – Readiness Sustainment....72
Sub-Sub-Program 3.1.2: Land Roles – Readiness Sustainment....73
Sub-Sub-Program 3.1.3: Aerospace Roles – Readiness Sustainment....74
Sub-Sub-Program 3.1.4: Special Operations Roles – Readiness Sustainment....75
Sub-Sub-Program 3.1.5: Joint and Common Operations Roles – Readiness Sustainment....76
Sub-Program 3.2: Force Elements Integration Training....77
Sub-Sub-Program 3.2.1: Maritime Environment – Integration Training....78
Sub-Sub-Program 3.2.2: Land Environment – Integration Training....78
Sub-Sub-Program 3.2.3: Aerospace Environment – Integration Training....79
Sub-Sub-Program 3.2.4: Special Operations – Integration Training....80
Sub-Sub-Program 3.2.5: Joint – Integration Training....81
Sub-Sub-Program 3.2.6: International and Domestic – Interoperability Training....82
Sub-Program 3.3: Force Elements Production....84
Sub-Sub-Program 3.3.1: Maritime Environment – Force Element Production....85
Sub-Sub-Program 3.3.2: Land Environment – Force Element Production....86
Sub-Sub-Program 3.3.3: Aerospace Environment – Force Element Production....87
Sub-Sub-Program 3.3.4: Special Operations – Force Element Production....88
Sub-Sub-Program 3.3.5: Joint and Common – Force Element Production....89
Sub-Program 3.4: Operational Readiness Production, Coordination and Command and Control....89
Sub-Sub-Program 3.4.1: Maritime Environment – Force Element Production, Coordination and Command and Control....90
Sub-Sub-Program 3.4.2: Land Environment – Force Element Production, Coordination and Command and Control....91
Sub-Sub-Program 3.4.3: Aerospace Environment – Force Element Production, Coordination and Command and Control....92
Sub-Sub-Program 3.4.4: Special Operations Forces – Force Element Production, Coordination and Command and Control....94
Sub-Sub-Program 3.4.5: Joint and Common – Force Element Production, Coordination and Command and Control....95
Program 4.0: Defence Capability Element Production....96
Sub-Program 4.1: Military Personnel and Organization Lifecycle....97
Sub-Sub-Program 4.1.1: Military Personnel – Regular Force Portfolio Management....98
Sub-Sub-Program 4.1.2: Military Personnel – Reserve Force Portfolio Management....99
Sub-Sub-Program 4.1.3: Military Personnel – Recruitment....100
Sub-Sub-Program 4.1.4: Military Personnel – Transition and Release....101
Sub-Sub-Program 4.1.5: Military Personnel – Professional Development Training....102
Sub-Sub-Program 4.1.6: Military Personnel – Occupation Training....103
Sub-Sub-Program 4.1.7: Military Personnel – Morale and Well Being....104
Sub-Sub-Program 4.1.8: Military Personnel – Health Care....105
Sub-Sub-Program 4.1.9: Organization – Security, Protection, Justice and Safety....107
Sub-Sub-Program 4.1.10: Military Personnel and Organization – Strategic Coordination, Development and Control....109
Sub-Program 4.2: Materiel Lifecycle....110
Sub-Sub-Program 4.2.1: Materiel – Portfolio Management....111
Sub-Sub-Program 4.2.2: Materiel – Acquisition....112
Sub-Sub-Program 4.2.3: Materiel – Equipment Upgrade and Insertion....114
Sub-Sub-Program 4.2.4: Materiel – Divestment and Disposal....115
Sub-Sub-Program 4.2.5: Materiel – Engineering, Test, Production and Maintenance....116
Sub-Sub-Program 4.2.6: Materiel – Inventory Management and Distribution....117
Sub-Sub-Program 4.2.7: Materiel – Strategic Coordination, Development and Control....118
Sub-Program 4.3: Real Property Lifecycle....119

Sub-Sub-Program 4.3.1: Real Property – Portfolio Management 120
Sub-Sub-Program 4.3.2: Real Property – Acquisition 121
Sub-Sub-Program 4.3.3: Real Property – Divestment and Disposal 122
Sub-Sub-Program 4.3.4: Real Property – Operations, Maintenance and Repair 123
Sub-Sub-Program 4.3.5: Real Property – Environment and Remediation 124
Sub-Sub-Program 4.3.6: Real Property – Strategic Coordination, Development and Control 125
Sub-Program 4.4: Information Systems Lifecycle 126
Sub-Sub-Program 4.4.1: Info Systems – Portfolio Management 127
Sub-Sub-Program 4.4.2: Info Systems – Acquisition, Development and Deployment 128
Sub-Sub-Program 4.4.3: Info Systems – System Management and User Support 129
Sub-Sub-Program 4.4.4: Info Systems – Strategic Coordination, Development and Control 130
Program 5.0: Defence Capability Development and Research 132
Sub-Program 5.1: Capability Design, Development and Integration 133
Sub-Sub-Program 5.1.1: Capability Design and Management 134
Sub-Sub-Program 5.1.2: Concept, Doctrine Development and Warfare Experimentation 135
Sub-Sub-Program 5.1.3: Science and Systems Development and Integration 136
Sub-Program 5.2: Strategic Direction and Planning Support 138
Sub-Sub-Program 5.2.1: Strategic Capability Planning Support 139
Sub-Sub-Program 5.2.2: Strategic Force Posture Planning Support 140
Program 6.0: Internal Services 141
Sub-Program 6.1: Management and Oversight 141
Sub-Program 6.2: Communications 143
Sub-Program 6.3: Legal Services 144
Sub-Program 6.4: Human Resources Management 144
Sub-Program 6.5: Financial Management 145
Sub-Program 6.6: Information Management 146
Sub-Program 6.7: Information Technology 146
Sub-Program 6.8: Real Property 147
Sub-Program 6.9: Materiel 147
Sub-Program 6.10: Acquisition 148

SECTION III: SUPPLEMENTARY INFORMATION 149
Financial Statement Highlights 149
Financial Statements 149
Supplementary Information Tables 150
Tax Expenditures and Evaluations 150

SECTION IV: ORGANIZATIONAL CONTACT INFORMATION 151

APPENDIX: DEFINITIONS 153

ENDNOTES 155

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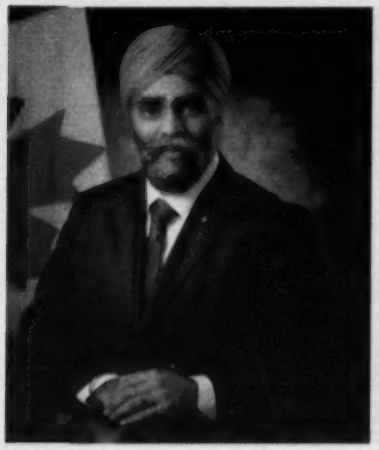
MINISTER'S MESSAGE



As Minister of National Defence, I am honoured to present to Parliament the Departmental Performance Report for 2014-15.

This report, for obvious reasons, reflects the work of the Defence Team prior to my appointment as Minister of National Defence.

The new government's commitment to support and invest in the Defence Team is steadfast. My overarching goal as Minister of National Defence is to ensure Canada's military is stronger and more agile, with modern and effective capabilities. To meet our obligation to the men and women of the Canadian Armed Forces (CAF), I will work to strengthen partnerships between Defence and Veterans Affairs.

Canadians have tremendous pride in the service of the CAF. In October 2014, we were reminded of the risks faced by CAF members following the attacks on Warrant Officer Patrice Vincent in Saint-Jean-sur-Richelieu and Corporal Nathan Cirillo in Ottawa. In March 2015, we mourned the loss of Sergeant Andrew Doiron, who was killed in Iraq.

The CAF has a long history of exemplary service, from combat missions, to peace operations, to disaster relief. During the 2014-15 reporting period, Canada marked the centennial of the First World War and the 75th anniversary of the Second World War, commemorating the sacrifices of generations of Canadians. Canadians can be confident that the CAF will continue to carry out its mandate to defend Canada and North America, and to make meaningful contributions to international security with pride and dedication.

The rapidly changing geopolitical environment in Europe and the Middle East reinforces the importance of cooperation in maintaining international security and stability. In response to Russian aggression against Ukraine, the CAF supported North Atlantic Treaty Organization (NATO) assurance measures in Central and Eastern Europe by contributing to training and exercise activities in the region as part of Operation REASSURANCE. Canada also donated non-lethal military equipment and supplies and increased capacity-building assistance to Ukrainian military personnel.

In August 2014, the CAF undertook Operation IMPACT as Canada's contribution to the Middle East Stabilization Force – the multinational coalition to degrade the so-called Islamic State of Iraq and Syria's (ISIS) capabilities in the Republic of Iraq and in Syria. Canada's Joint Task Force-Iraq provided special operations forces training and strategic advice and assistance to the Iraqi security forces, provided logistics support to the coalition, and deployed an air task force. In 2015-16 and 2016-17, the Government of Canada will continue as part of the coalition against ISIS and will collaborate with partners and allies to refocus Canada's efforts in the region toward the training of local forces and humanitarian support. We are also committed to helping the United Nations respond more quickly to emerging and escalating conflicts.

In 2014-15, the CAF continued to participate in multinational efforts to enhance global security, including Operation ARTEMIS to address terrorism in the Arabian Sea and Operation CARIBBE to counter illicit trafficking in the Caribbean Sea and the Eastern Pacific Ocean. Operation CARIBBE, in particular, resulted in the disruption and seizure of close to 10,000 kg of cocaine and over 500 kg of marijuana that might otherwise have been used to fund criminal and terrorist activities. In the global fight against the Ebola outbreak in West Africa, CAF healthcare personnel deployed to Sierra Leone as part of Operation SIRONA, and provided treatment to local and international healthcare workers who were exposed to the deadly virus.

At home, the CAF coordinated and responded to over 8,000 search and rescue incidents across the country and, as part of Operation LENTUS, supported the provinces of Ontario and Manitoba by assisting communities affected by major floods. Through Operation NANOOK, the CAF demonstrated its ability to operate in Canada's northern regions by successfully carrying out a number of search and rescue and crisis response activities for two simulated

maritime emergencies off the coast of Baffin Island. We will renew Canada's focus on surveillance and control of Canadian territory and approaches, and ensure that the CAF has the capabilities to fulfill domestic missions.

In 2014-15, the CAF also worked closely with the United States in the defence of North America through the North American Aerospace Defense Command (NORAD). The Canadian and US militaries engaged in a wide range of joint operations and training exercises to enhance interoperability and to monitor and respond to changes in the security environment. We will maintain Canada's strong commitment to NORAD and NATO.

Looking ahead to the end of 2015-16 and to 2016-17, we will conduct an open and transparent review to create a new defence strategy for Canada in order to replace the now outdated *Canada First* Defence Strategy. Spending levels will be maintained, including current planned increases. Our goal will be to ensure that Canada's military is equipped and prepared, if called upon, to protect Canadian sovereignty, defend North America, provide disaster relief, conduct search and rescue, support United Nations peace operations, and contribute to the security of our allies and to allied and coalition operations abroad.

I am proud to be working with the military and civilian members of the Defence Team. It is their initiative, professionalism, and dedication that enable Canada to stand tall as a nation.

Original signed by:

The Honourable Harjit S. Sajjan, PC, OMM, MSM, CD, MP
Minister of National Defence

EXECUTIVE SUMMARY

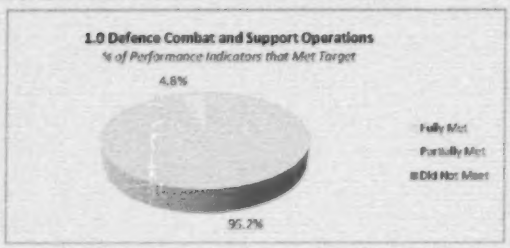
In fiscal year (FY) 2014-15, Defence successfully carried out its assigned missions, continued to deliver on Defence priorities, and ensured sound financial management and stewardship of public resources.

Delivering Excellence in Operations

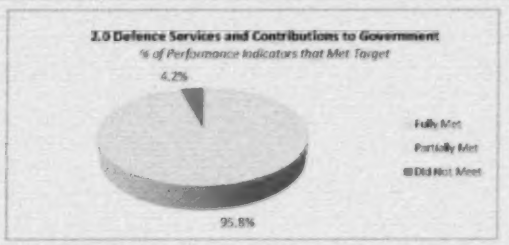
In accordance with the core missions set out in the *Canada First* Defence Strategy, the Canadian Armed Forces (CAF) continued to ensure the safety and security of Canadians by delivering excellence at home, being a strong and reliable partner in the defence of North America, and projecting leadership abroad by making meaningful contributions to international security.

FY 2014-15 contributions include:

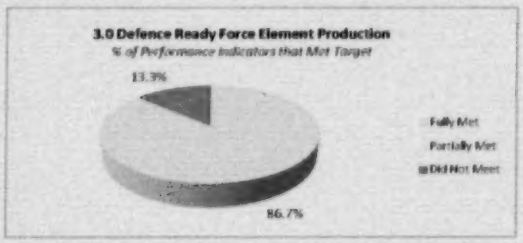
- The CAF coordinated and responded to over 8,000 search and rescue incidents across the country and, as part of Operation LENTUS, supported the provinces of Ontario and Manitoba by assisting communities affected by heavy floods.
- Canada stood united with NATO in response to Russian aggression against Ukraine. The CAF supported NATO assurance measures in Central and Eastern Europe by contributing to training and exercise activities in the region as part of Operation REASSURANCE. Canada also donated non-lethal military equipment and supplies, and increased capacity building assistance to Ukrainian military personnel.
- In October 2014, the CAF undertook Operation IMPACT as Canada's contribution to the Middle East Stabilization Force, the multinational coalition established to halt and degrade the so-called Islamic State of Iraq and Syria's (ISIS) capabilities in the Republic of Iraq and in Syria.
- In the global fight against the Ebola outbreak in West Africa, CAF healthcare personnel deployed to Sierra Leone as part of Operation SIRONA, and provided treatment to local and international health care workers who were exposed to the deadly virus.
- The CAF continued to contribute to international maritime security through Operation ARTEMIS in the Arabian Sea, and Operation CARIBBE in the Caribbean Sea and the Eastern Pacific Ocean. Operation CARIBBE, in particular, resulted in the disruption and seizure of close to 10,000 kg of cocaine and over 500 kg of marijuana.
- The CAF continually adapted its force protection measures to meet the demands of an evolving security environment and the rise in unconventional threats. In the period leading up to the attacks on Warrant Officer Vincent in Saint-Jean-sur-Richelieu and Corporal Cirillo in Ottawa, the CAF maintained force protection measures commensurate with known threats at the time. Following the two attacks, the CAF increased force protection measures and heightened the alert status of high readiness units. When such national threats and events occur, the CAF are in constant communication with our federal partners and allies on issues regarding the safety and security of Canada and Canadians.



In FY 2014-15, Program 1.0 Defence Combat and Support Operations represented:
- 7% of departmental spending
- 8% of Full Time Equivalents



In FY 2014-15, Program 2.0 Defence Services and Contributions to Government represented:
- 3% of departmental spending
- 2% of Full Time Equivalents



In FY 2014-15, Program 3.0 Defence Ready Force Element Production represented:
- 18% of departmental spending
- 31% of Full Time Equivalents

As evidenced in Programs *1.0 Defence Combat and Support Operations*, *2.0 Defence Services and Contributions to Government* and *3.0 Defence Ready Force Element Production*, the CAF successfully conducted a range of missions at home and abroad, in collaboration with whole-of-government and international partners, and demonstrated a high level of readiness to deploy at the request of the Government of Canada. To maximize future contributions to and efficiency in operations, the CAF continues to review and refine training requirements and readiness levels.

Equipping the Canadian Armed Forces

Defence demonstrated success in modernizing and upgrading equipment capabilities and advancing key projects while seeking new efficiencies including:

- As announced on 25 November 2014, the first five frigates successfully completed modernization programs as part of the Halifax-class modernization/frigate equipment life extension project. HMCS *Fredericton* deployed in December 2014 in the Mediterranean for Operation REASSURANCE, Canada's support to NATO assurance measures in Eastern and Central Europe in response to Russian aggression in Ukraine.
- On 23 January 2015, the contract for six Arctic Offshore Patrol Ships was announced. A part of the National Shipbuilding Procurement Strategy, this contract is valued at $2.3 billion and marked the start of the construction phase. Full production is scheduled to commence in September 2015.
- Canada's Victoria-class submarine fleet reached operational steady state with three (HMCS *Victoria*, *Windsor*, and *Chicoutimi*) out of four submarines available for operations, while the fourth (HMCS *Corner Brook*) undergoes a planned extended docking working period to ensure sustainment of the submarine fleet. This fleet will provide important support to CAF domestic and international operations for years to come.
- On 24 October 2014, a $137.8 million contract was announced for upgrades to the CAF's combat net radios and vehicle interface units that will be employed in the Canadian-built Light Armoured Vehicle III, among other assets.
- The Leopard II Tank upgrade achieved final operational capability in February 2015. The fleet of 100 tanks – repaired, overhauled and upgraded – will provide the CAF with a sustainable heavy, direct-fire capability until 2035.
- On 18 June 2014, Defence completed required amendments to contracts for the acquisition and maintenance of 28 CH-148 Cyclone helicopters to ensure the delivery of fully capable maritime helicopters with operational capability in order to begin retirement of the Sea Kings in 2015.
- On 3 July 2014, the CAF welcomed the delivery at Garrison Petawawa of the final CH-147F Chinook medium-to-heavy lift helicopter. The 15 Chinook helicopters will provide the CAF with an unparalleled capability to respond rapidly to emergencies in Canada and overseas.
- On 30 March 2015, the Royal Canadian Air Force accepted delivery of its fifth CC-177 Globemaster III aircraft, increasing its flexibility to respond to both domestic and international emergencies and support a variety of missions. The current Globemaster fleet has been playing an integral role in ferrying supplies and troops to support Operation IMPACT in the Middle East and Operation REASSURANCE in Europe.

Strengthening Capabilities

The CAF remained prepared to deal with conventional and non-conventional threats with a focus on enhancing its cyber, space and security capabilities.

- In the cyber realm, Defence continued to serve an important role in managing threats to government systems and share cyber threat and mitigation information with other levels of government, security partners, and allies to help ensure that Canada's vital systems and critical infrastructure are secure. Canada continued to work closely with allies through a variety of forums to collect and share best practices and lessons learned, particularly with 5-Eyes partners and NATO.
- In May 2014, Defence furthered Canada's cooperation with Australia, the United Kingdom, and the United States by establishing a partnership on combined space operations. This partnership will allow for more effective and coordinated use of space capabilities through cooperation on activities such as identifying and understanding what objects are in space, ensuring uninterrupted satellite operations, and avoiding satellite collisions. Such activities will make a significant contribution towards a safer and more secure space environment while also enhancing mutual security.
- To protect, promote and support security in Defence activities and operations, the new Defence Security Program was established and encompasses activities to safeguard information, assets and services from compromise, along with the effective coordination and management of security incidents.

Supporting Canadian Armed Forces Members and Military Families

The Government of Canada and the Defence Team continued to ensure that the framework of care and support for CAF personnel and their families remained effective, continuously improved, and remained sustainable in the long-term. To that end, in 2014-15 Defence progressed several initiatives including:

- Established Canadian Military and Veterans Mental Health Centre of Excellence and created a Chair in Military Mental Health, which will support clinical best practices and prioritize mental health research, education and prevention;
- Established electronic collection of mental health data allowing clinicians serving CAF members to view assessments and results immediately in a secure and confidential manner, wherever they may be;
- Put in place a consolidated and integrated Military Family Services operating plan and formed eleven working groups and family panels to address programming challenges and systemic stressors inherent with military life; and
- Continued to place high priority on the staffing of mental health positions. As of 31 March 2015, Defence staffed 94.2 percent of all mental health positions (both civilian and military). Vacancy rates continue to be monitored on a monthly basis and actioned.

Preventing Inappropriate Sexual Behaviour

All Defence Team members have the right to be treated fairly, respectfully and with dignity in a workplace free of harassment, and they have a responsibility to treat others in the same manner. Following an internal review of programs and policies, the Chief of the Defence Staff announced on 28 April 2014 that Madame Marie Deschamps, a former Supreme Court of Canada Justice, would conduct an external independent review of Canadian Armed Forces workplace procedures and programs related to sexual misconduct and sexual harassment. The review was started on 30 June 2014 and a report was submitted on 27 March 2015. In February 2015, the Chief of the Defence Staff directed the creation of the Canadian Armed Forces Strategic Response Team on Sexual Misconduct. The initial mandate of the Strategic Response Team was to conduct a detailed review of the final report produced by the External Review Authority, and develop an action plan to address the report's recommendations.

Focusing on the Future

Defence continued to focus on change initiatives that are transforming the organization to lay a strong foundation for the future.

Defence Procurement Strategy

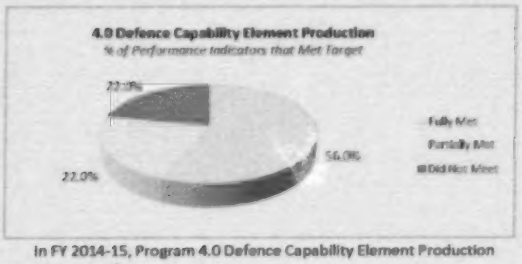
- Launched in February 2014, the key objectives of the *Defence Procurement Strategy* are to deliver the right equipment to the CAF and the Canadian Coast Guard in a timely manner, leverage purchases of defence equipment to create jobs and economic growth in Canada, and streamline defence procurement processes. Defence also published the *Defence Acquisition Guide*, a major component of the strategy that identifies future potential CAF requirements and associated procurement projects.

Defence Renewal Program

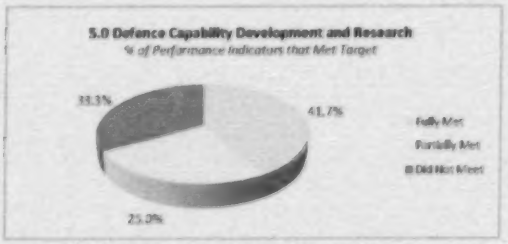
- On 7 October 2013, the Defence Renewal Team formally launched the Defence Renewal Program to find ways for Defence to become more efficient and effective, with generated savings to be reinvested into operational capabilities and readiness. For 2014-15, a few highlights of progress in Defence Renewal are:
  - Reduction of overbuy expenditures;
  - Consolidation of Real Property Management from nine custodians to one, which is on schedule; and
  - Simplification of the Military Personnel Appraisal System, which has also been made more relevant, significantly reducing the reporting burden for Regular and Primary Reserve personnel.

A New National Defence Headquarters

- In collaboration with Public Works and Government Services Canada and Shared Services Canada, Defence continued to advance the consolidation of Defence headquarters at Nortel's former Carling Campus. Workplace 2.0, the Government of Canada initiative to create a modern workplace through smarter processes and practices that embrace new capabilities and technologies, is being integrated into the plan for the new home of Defence headquarters.



In FY 2014-15, Program 4.0 Defence Capability Element Production represented:
- 68% of departmental spending
- 54% of Full Time Equivalents



In FY 2014-15, Program 5.0 Defence Capability Development and Research represented:
- 3% of departmental spending
- 2% of Full Time Equivalents

As evidenced in Programs *4.0 Defence Capability Element Production* and *5.0 Defence Capability Development and Research*, a continued commitment to personnel, key purchases and equipment maintenance will ensure assets, resources and capabilities remain ready to respond and deliver effect for Canadians for years to come.

SECTION I: ORGANIZATIONAL EXPENDITURE OVERVIEW

ORGANIZATIONAL PROFILE

Appropriate Minister: The Honourable Harjit S. Sajjan, PC, OMM, MSM, CD, MP (appointed November 2015);
The Honourable Jason Kenney, PC, MP (from February to October 2015);
The Honourable Robert Nicholson, PC, QC, MP (from July 2013 to February 2015)

Institutional Head: Deputy Minister John Forster (appointed February 2015);
Deputy Minister Richard B. Fadden (from May 2013 to February 2015)

Chief of the Defence Staff: General Jonathan Vance, CMM, MSC CD (appointed July 2015);
General Tom Lawson, CMM, CD (from October 2012 to July 2015)

Ministerial Portfolio:

- Department of National Defence
- Canadian Armed Forces
- Communications Security Establishment[1]
- Military Police Complaints Commission[2]
- Military Grievances External Review Committee[3]
- Office of the Communications Security Establishment Commissioner[4]

Enabling Instruments:

- *National Defence Act*[5]
- *Emergencies Act*[6]
- *Aeronautics Act*[7]
- *Fisheries Act*[8]

For further information, see the Legislation and National Defence[9] page on the Defence website.

Year of Incorporation / Commencement: 1923

Other: For further information, see the Department of National Defence and the Canadian Armed Forces website[10].

ORGANIZATIONAL CONTEXT

Raison d'être and Responsibilities

On behalf of the people of Canada, the Canadian Armed Forces (CAF) and the Department of National Defence (DND) stand ready to perform three key roles:

- Defend Canada - by delivering excellence at home;
- Defend North America - by being a strong and reliable partner with the United States in the defence of the continent; and
- Contribute to International Peace and Security - by projecting leadership abroad.

Released in 2008, the *Canada First* Defence Strategy (CFDS)[11] sets a detailed roadmap for the modernization of the CAF into a first-class military that can deliver on these roles. The Strategy also commits National Defence to the execution of six core missions:

- Conduct daily domestic and continental operations, including in the Arctic and through the North American Aerospace Defense Command (NORAD);
- Support a major international event in Canada;
- Respond to a major terrorist attack;
- Support civil authorities during a crisis in Canada such as a natural disaster;
- Lead and/or conduct a major international operation for an extended period; and
- Deploy forces in response to crises elsewhere in the world for shorter periods.

In 2014-15, National Defence successfully carried out the missions outlined in CFDS, while also accomplishing the defence activities highlighted in the 2014-15 Report on Plans and Priorities:

- Pursued the *Defence Renewal* initiative, launched in October 2013, to ensure a modern Canadian military that is affordable and sustainable over the long-term;
- Provided enhanced support to our ill and injured CAF members and their families, and ensure that they can access timely treatment for a variety of mental illnesses, including Post Traumatic Stress Disorder; and
- Carried out the defence mission while ensuring sound financial management of the Defence budget and stewardship of public resources.

This Defence mandate is the responsibility of the Minister of National Defence (MND). The MND presides over the Department and over all matters relating to National Defence and the CAF, as established by the *National Defence Act* (NDA). He is assisted by the Deputy Minister (DM), who is appointed by the Governor-in-Council on the advice of the Prime Minister and is the MND's most senior civilian advisor, authorized under the law to carry out, on the Minister's behalf, many aspects of the management and direction of the Department. He is responsible for policy advice, departmental management, interdepartmental coordination, international defence relations, public service renewal, federal-provincial relations, and portfolio management. He is also an Accounting Officer under the *Financial Administration Act* and is accountable before Parliamentary Committees to provide explanations on matters for which he is responsible. The Chief of the Defence Staff (CDS) has direct responsibility for the command, control and administration of the CAF, and is appointed by the Governor-in-Council, on the advice of the Prime Minister. The CDS advises the MND on issues such as current and future military requirements, force capabilities, and possible courses of action and the military or operational consequences of undertaking (or failing to undertake) various military activities. The CDS is accountable to the MND for the conduct of all CAF activities, as well as for the readiness and the ability to fulfill military commitments and obligations undertaken by the Government. The CDS is also the advisor to the Prime Minister and Cabinet on major military developments and issues.

Strategic Outcomes and Program Alignment Architecture

The Government of Canada's Management, Resources and Results Structure[12] (MRRS) is the foundation of a government-wide approach aimed at strengthening the management and accountability of public expenditures and clearly demonstrating results for Canadians. The Program Alignment Architecture (PAA) is part of the MRRS. Defence's PAA shows how its programs align with the Department's two strategic outcomes. Internal Services is a stand-alone program which defines activities and resources that support the organization's program needs and corporate obligations.

Effective fiscal year 2014-15, Defence implemented a new PAA that more accurately represents and articulates the "Business of Defence". It describes what Defence provides to and for Canadians while also illustrating how those effects are created and delivered. This revised structure better positions Defence to address program granularity and interdependencies required for strategic reviews and to institutionalize a "Management for Results" paradigm that supports the strategic management of Defence. It also provides a structure that better lends itself to conveying Defence's performance story and demonstrating results.

Strategic Outcome: Defence Operations and Services Improve Stability and Security, and Promote Canadian Interests and Values

- 1.0 **Program:** Defence Combat and Support Operations
  - 1.1 **Sub-Program:** Domestic and Continental Defence Operations
    - 1.1.1 **Sub-Sub-Program:** Operations to Defend Canada Against Armed Threats
    - 1.1.2 **Sub-Sub-Program:** Ongoing Defence, Security and Sovereignty of Canada Operations
    - 1.1.3 **Sub-Sub-Program:** Ongoing Defence Operations through NORAD
    - 1.1.4 **Sub-Sub-Program:** Ongoing Continental Defence Operations in Cooperation with the United States
  - 1.2 **Sub-Program:** International Combat Operations
    - 1.2.1 **Sub-Sub-Program:** International Operations over Extended Periods
    - 1.2.2 **Sub-Sub-Program:** International Crisis and Surge Response Operations
    - 1.2.3 **Sub-Sub-Program:** Ongoing Defence Operations through Standing NATO Commitments
  - 1.3 **Sub-Program:** Ongoing Centralized Operations and Operational Enablement
    - 1.3.1 **Sub-Sub-Program:** Overarching Command and Control of Domestic and International Operations
    - 1.3.2 **Sub-Sub-Program:** Ongoing Defence Intelligence Operations
    - 1.3.3 **Sub-Sub-Program:** Operational Support Services
    - 1.3.4 **Sub-Sub-Program:** Military Diplomacy and Global Engagement
- 2.0 **Program:** Defence Services and Contributions to Government
  - 2.1 **Sub-Program:** Disaster Relief and Humanitarian Operations
    - 2.1.1 **Sub-Sub-Program:** Domestic and Continental Assistance and Response Operations
    - 2.1.2 **Sub-Sub-Program:** International Humanitarian Assistance and Disaster Response Operations
    - 2.1.3 **Sub-Sub-Program:** Non-Combatant Evacuation Operations
  - 2.2 **Sub-Program:** Defence Services for Canadian Safety and Security
    - 2.2.1 **Sub-Sub-Program:** Counter Terrorism, Terrorism Event Response and Consequence Management Operations
    - 2.2.2 **Sub-Sub-Program:** Assistance to Major Canadian Event Operations
    - 2.2.3 **Sub-Sub-Program:** National Search and Rescue Program
    - 2.2.4 **Sub-Sub-Program:** Search and Rescue Operations
    - 2.2.5 **Sub-Sub-Program:** Defence Services to Other Government Departments and Agencies
    - 2.2.6 **Sub-Sub-Program:** Canadian Safety and Security Program
  - 2.3 **Sub-Program:** Military Heritage and Outreach
    - 2.3.1 **Sub-Sub-Program:** Military History, Heritage and Awareness
    - 2.3.2 **Sub-Sub-Program:** Youth Program

Strategic Outcome: Defence Remains Continually Prepared to Deliver National Defence and Defence Services in Alignment with Canadian Interests and Values

- **3.0 Program:** Defence Ready Force Element Production
  - **3.1 Sub-Program:** Force Elements Readiness Sustainment
    - **3.1.1 Sub-Sub-Program:** Maritime Roles - Readiness Sustainment
    - **3.1.2 Sub-Sub-Program:** Land Roles - Readiness Sustainment
    - **3.1.3 Sub-Sub-Program:** Aerospace Roles - Readiness Sustainment
    - **3.1.4 Sub-Sub-Program:** Special Operations Roles - Readiness Sustainment
    - **3.1.5 Sub-Sub-Program:** Joint and Common Roles - Readiness Sustainment
  - **3.2 Sub-Program:** Force Elements Integration Training
    - **3.2.1 Sub-Sub-Program:** Maritime Environment - Integration Training
    - **3.2.2 Sub-Sub-Program:** Land Environment - Integration Training
    - **3.2.3 Sub-Sub-Program:** Aerospace Environment - Integration Training
    - **3.2.4 Sub-Sub-Program:** Special Operations - Integration Training
    - **3.2.5 Sub-Sub-Program:** Joint - Integration Training
    - **3.2.6 Sub-Sub-Program:** International and Domestic - Interoperability Training
  - **3.3 Sub-Program:** Force Elements Production
    - **3.3.1 Sub-Sub-Program:** Maritime Environment - Force Element Production
    - **3.3.2 Sub-Sub-Program:** Land Environment - Force Element Production
    - **3.3.3 Sub-Sub-Program:** Aerospace Environment - Force Element Production
    - **3.3.4 Sub-Sub-Program:** Special Operations - Force Element Production
    - **3.3.5 Sub-Sub-Program:** Joint and Common - Force Element Production
  - **3.4 Sub-Program:** Operational Readiness Production, Coordination and Command and Control
    - **3.4.1 Sub-Sub-Program:** Maritime Environment - Force Element Production, Coordination and Command and Control
    - **3.4.2 Sub-Sub-Program:** Land Environment - Force Element Production, Coordination and Command and Control
    - **3.4.3 Sub-Sub-Program:** Aerospace Environment - Force Element Production, Coordination and Command and Control
    - **3.4.4 Sub-Sub-Program:** Special Operations Forces - Force Element Production, Coordination and Command and Control
    - **3.4.5 Sub-Sub-Program:** Joint and Common - Force Elements Production, Coordination and Command and Control
- **4.0 Program:** Defence Capability Element Production
  - **4.1 Sub-Program:** Military Personnel and Organization Lifecycle
    - **4.1.1 Sub-Sub-Program:** Military Personnel - Regular Force Portfolio Management
    - **4.1.2 Sub-Sub-Program:** Military Personnel - Reserve Force Portfolio Management
    - **4.1.3 Sub-Sub-Program:** Military Personnel - Recruitment
    - **4.1.4 Sub-Sub-Program:** Military Personnel - Transition and Release
    - **4.1.5 Sub-Sub-Program:** Military Personnel - Professional Development Training
    - **4.1.6 Sub-Sub-Program:** Military Personnel - Occupation Training
    - **4.1.7 Sub-Sub-Program:** Military Personnel - Morale and Well Being
    - **4.1.8 Sub-Sub-Program:** Military Personnel - Health Care
    - **4.1.9 Sub-Sub-Program:** Organization - Security, Protection, Justice and Safety
    - **4.1.10 Sub-Sub-Program:** Military Personnel and Organization - Strategic Coordination, Development and Control
  - **4.2 Sub-Program:** Materiel Lifecycle
    - **4.2.1 Sub-Sub-Program:** Materiel - Portfolio Management
    - **4.2.2 Sub-Sub-Program:** Materiel – Acquisition
    - **4.2.3 Sub-Sub-Program:** Materiel - Equipment Upgrade and Insertion
    - **4.2.4 Sub-Sub-Program:** Materiel - Divestment and Disposal
    - **4.2.5 Sub-Sub-Program:** Materiel - Engineering, Test, Production and Maintenance
    - **4.2.6 Sub-Sub-Program:** Materiel - Inventory Management and Distribution

- 4.2.7 **Sub-Sub-Program:** Materiel - Strategic Coordination, Development and Control
- 4.3 **Sub-Program:** Real Property Lifecycle
  - 4.3.1 **Sub-Sub-Program:** Real Property - Portfolio Management
  - 4.3.2 **Sub-Sub-Program:** Real Property - Acquisition
  - 4.3.3 **Sub-Sub-Program:** Real Property - Divestment and Disposal
  - 4.3.4 **Sub-Sub-Program:** Real Property - Operations, Maintenance and Repair
  - 4.3.5 **Sub-Sub-Program:** Real Property - Environment and Remediation
  - 4.3.6 **Sub-Sub-Program:** Real Property - Strategic Coordination, Development and Control
- 4.4 **Sub-Program:** Information Systems Lifecycle
  - 4.4.1 **Sub-Sub-Program:** Info Systems - Portfolio Management
  - 4.4.2 **Sub-Sub-Program:** Info Systems - Acquisition, Development and Deployment
  - 4.4.3 **Sub-Sub-Program:** Info Systems - System Management and User Support
  - 4.4.4 **Sub-Sub-Program:** Info Systems - Strategic Coordination, Development and Control

5.0 **Program:** Defence Capability Development and Research

- 5.1 **Sub-Program:** Capability Design, Development and Integration
  - 5.1.1 **Sub-Sub-Program:** Capability Design and Management
  - 5.1.2 **Sub-Sub-Program:** Concept, Doctrine Development and Warfare Experimentation
  - 5.1.3 **Sub-Sub-Program:** Science and Systems Development and Integration
- 5.2 **Sub-Program:** Strategic Direction and Planning Support
  - 5.2.1 **Sub-Sub-Program:** Strategic Capability Planning Support
  - 5.2.2 **Sub-Sub-Program:** Strategic Force Posture Planning Support

6.0 **Program:** Internal Services

- 6.1 **Sub-Program:** Management and Oversight
- 6.2 **Sub-Program:** Communications
- 6.3 **Sub-Program:** Legal Services
- 6.4 **Sub-Program:** Human Resources Management
- 6.5 **Sub-Program:** Financial Management
- 6.6 **Sub-Program:** Information Management
- 6.7 **Sub-Program:** Information Technology
- 6.8 **Sub-Program:** Real Property
- 6.9 **Sub-Program:** Materiel
- 6.10 **Sub-Program:** Acquisition

Organizational Priorities

Over the past year, Defence advanced a range of concrete Canadian priorities – contributed to the safety and security of Canadians, promoted a safe and secure world through international engagement, and enhanced the vibrancy of Canadian culture and heritage. Notwithstanding mandatory Defence operations and related activities, Defence successfully achieved results against the four organizational priorities identified in the *2014-15 Report on Plans and Priorities*. These priorities, provided emphasis for senior management and Canadian Armed Forces leaders to direct resources to key initiatives required to address gaps in achieving the PAA expected results, to mitigate key Corporate Risks and to respond to specific Government direction.

Defence's organizational priorities and plans, as well as significant results related to the Department's PAA, are integrated into Section II of this report to provide a comprehensive overview of the Department's performance in 2014-15. The priorities below are ordered for clarity of presentation only, and are aligned with the relevant Strategic Outcomes.

Priority: Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians

Type[1]: Ongoing

Strategic Outcomes:

- Defence Operations and Services Improve Stability and Security, and Promote Canadian Interests and Values
- Defence Remains Continually Prepared to Deliver National Defence and Defence Services in Alignment with Canadian Interests and Values

Description: The ultimate measure of success of the Defence Team is the successful conduct of operations by the CAF to protect Canadians and Canadian national interests at home and abroad. All Defence activities and efforts must be directed towards these ends.

Summary of Progress:

The following lists the original plans and the key accomplishments in 2014-15:

Priority Element: Defence requires an integrated and secure, flexible, and agile information environment that is conducive to efficient operations and decision making.

- **Plan: Provide an integrated and effective IM and IT environment in support of all Defence operations**
  - Continued to strengthen cyber capabilities including advice and analysis on cyber risks, threats, and incidents, and to contribute to joint cyber security efforts with allied military organizations.
  - Developed a revised IM/IT future governance framework and business planning process.
  - Continued to advance alignment with the Government of Canada web renewal initiative.

(See sub-sub programs: 4.4.1 Info Systems – Portfolio Management, 4.4.4 Info Systems – Strategic Coordination, Development and Control, 5.2.1 Strategic Capability Planning Support, 6.7 Information Technology)

Priority Element: The *Policy on Government Security* directs all departments and agencies to ensure that security management is an identifiable and integral element of departmental governance, programs, and services. This includes a systematic and consistent approach is in place to support the planning, operation and monitoring of security activities, and essential controls are in place to support interoperability and information exchange.

1. Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities or the Departmental Performance Report.

- **Plan: Develop and implement initiatives to integrate security management into departmental operations**
  - Established a new security organization.
  - Revitalized the Senior Security Advisory Committee.
  - Conducted a thorough review and update of the National Defence Security Orders and Directives in order to clearly articulate to all DND and CAF personnel the responsibilities related to the defence security program.
  - Advanced the development of the Departmental Security Plan including risk treatment plans for managing security risks and that outline the strategies, goals, objectives, priorities and timelines for improving security within Defence.
  - Replaced the certification and accreditation program with the security assessment and authorization program.
  - Conducted a top down review of counter explosive threat skills required by all CAF members to ensure an interoperable and seamless joint CAF capability.

(See sub-sub-programs: 4.1.9 Organization – Security, Protection, Justice and Safety, 4.4.1 Info Systems – Portfolio Management, 4.4.2 Info Systems – Acquisition, Development and Deployment, 4.4.3 Info Systems – System Management and User Support)

Priority Element: In the coming years, a number of significant historical anniversaries will be commemorated. Events such as the 100th anniversary of World War I, including a significant number of regimental centenaries, the 75th anniversary of World War II, as well as the 150th anniversary of the Confederation in 2017, will all have significant resource implications. These events represent a significant opportunity to engage Canadians and deepen their understanding of the contributions that the Royal Canadian Navy (RCN), the Canadian Army (CA), the Royal Canadian Air Force (RCAF) and DND have made to the development of the nation throughout its history.

- **Plan: Support Government efforts for commemoration of important anniversaries**
  - As part of Operation DISTINCTION, participated in commemorative events designed to honour Canada's proud military history, from the War of 1812 to the wars of the 20th century and during contemporary times.

(See Sub-Sub-Program: 2.3.1 Military History, Heritage and Awareness, and Sub-Program: 6.2 Communications)

Priority Element: Exercising Canadian Arctic sovereignty is a priority of the Government of Canada, as articulated in Canada's Northern Strategy, the Arctic Foreign Policy and the *Canada First* Defence Strategy.

- **Plan: Exercise Arctic sovereignty**
  - Conducted a series of annual arctic operations and exercises to demonstrate sovereignty, enhance the CAF's ability to operate in the Arctic, strengthen and develop whole-of-government partnerships, and maintain interoperability amongst northern partners.
  - Released the annual update of the *Plan for the North*, which strengthens synchronization with territorial governments and other government departments and agencies to better anticipate, prepare and conduct defence activities in the North.

(See: sub-sub-programs: 1.1.2 Ongoing Defence, Security and Sovereignty of Canada Operations, 1.3.1 Overarching Command and Control of Domestic and International Operations)

Priority Element: Defence has a legal duty to consult with Aboriginal groups when contemplating activities that might adversely impact potential or established Aboriginal and treaty rights. Defence also has a legal obligation to respect treaties negotiated between the Crown and Aboriginal groups. These treaties can impact contracting, access to treaty settlement lands and environmental assessments.

- **Plan: Support Government efforts with the legal obligations to the Aboriginal People of Canada**
  - Actively engaged Defence officials to increase awareness of Aboriginal issues and exchange information to ensure Aboriginal obligations are addressed.

(See Sub-Sub-Program: 4.3.6 Real Property – Strategic Coordination, Development and Control)

Priority: Maintaining Required CAF Posture and Defence Readiness

Type: Ongoing

Strategic Outcome:

- Defence Remains Continually Prepared to Deliver National Defence and Defence Services in Alignment with Canadian Interests and Values

Description: By reconstituting and aligning the CAF and DND post Afghanistan, Defence will maintain its ability to deliver the *Canada First* Defence Strategy by managing operational readiness in support of its six core missions within Canada, in North America and in support of international operations.

Summary of Progress:

The following lists the original plans and the key accomplishments in 2014-15:

Priority Element: The CAF must ensure resources are aligned and available to support determined readiness levels and therefore able to posture military capability to meet planned and anticipated requirements of the Government of Canada as articulated in the *Canada First* Defence Strategy.

- **Plan: Implement CDS direction for CAF force posture and defence readiness horizon 1**
  - Generated and sustained highly effective, responsive and adaptable force elements capable of synchronizing effects across the full spectrum of operations.
  - Ensured resources were aligned and available to support determined readiness levels.

(See Programs: 3.0 Defence Ready Force Element Production, 4.0 Defence Capability Element Production; and sub-sub-programs: 3.1.1 Maritime Roles – Readiness Sustainment, 3.1.2 Land Roles – Readiness Sustainment, 3.1.3 Aerospace Roles – Readiness Sustainment, 3.1.4 Special Operations Roles – Readiness Sustainment, 3.1.5 Joint and Common Roles – Readiness Sustainment)

Priority Element: The *Canada First* Defence Strategy is the primary guiding document for Defence and across the Defence Portfolio. The Government will undertake a review of the strategy in order to provide direction and ensure the Defence Team is balanced and positioned to meet current and future challenges.

- **Plan: Undertake CFDS renewal**
  - Work on the *Canada First* Defence Strategy renewal is ongoing and is aimed at ensuring the CAF continues to be among the best in the world, well positioned to defend Canada and Canadian interests at home and alongside Canada's allies around the world, particularly in an evolving security context.

(See Sub-Program: 6.1 Management and Oversight)

Priority: Strengthening the Defence Team

Type: Ongoing

Strategic Outcome:

- Defence Remains Continually Prepared to Deliver National Defence and Defence Services in Alignment with Canadian Interests and Values

Description: By investing in the personnel pillar of *Canada First* Defence Strategy – military and civilian, National Defence will align the Defence Team to ensure successful execution of the six core missions within Canada, North America, and around the globe.

Summary of Progress:

The following lists the original plans and the key accomplishments in 2014-15:

Priority Element: Defence has a moral commitment to military personnel in recognition of the sacrifices they make and the services they render. The duty and responsibility to care for our current and former members and their families reside especially with the leadership of the CAF, DND and Veteran Affairs Canada. Included under this priority is the psychological fitness of military personnel, which is an essential component of operational effectiveness and a key part of the fundamental obligation of the CAF to promote the well-being of their personnel.

- **Plan: Provide enhanced support to the ill and the injured and to the families of CAF members**
  - Continued to bolster the sustainability and effectiveness of the CAF health care system by monitoring the ongoing performance of the system through the annual Military Health Program presentation to the departmental Program Management Board.
  - Extended 60 Reserve Force positions in order to address the increased demand for Joint Personnel Support Unit services.
  - Enhanced mental health initiatives, particularly to address Post Traumatic Stress Disorder, including:
    - Established Canadian Military and Veterans Mental Health Centre of Excellence and created a Chair in Military Mental Health, which will support clinical best practices and prioritize mental health research, education and prevention; and
    - Established electronic collection of mental health data allowing clinicians serving CAF members to view assessments and results immediately in a secure and confidential manner, wherever they may be.
  - Developed a robust, interdisciplinary and harmonized mental health capacity focusing on training and education, prevention and intervention to enhance the psychological resilience of CAF personnel, including:
    - Piloted Unit Road to Mental Readiness (R2MR) Training for a Communications Information Group and initiated development of occupation-specific mental health and resilience training for Military Police, Search and Rescue and Special Operations personnel;
    - Developed two Smartphone applications to support the uptake and practical application of R2MR arousal management skills taught in the classroom; and
    - Produced mental health outreach videos highlighting mental health support programs (You're Not Alone), peer support and R2MR to assist CAF members and their families.
  - Developed a consolidated/integrated Military Family Services operating plan in October 2014, and eleven working groups and family panels were formed to address programming challenges and systemic stressors inherent with military life. Military Family Services formalized partnerships with national organizations that can play a role in ensuring Canadian communities have requisite skills, knowledge and awareness to better support military families.

(See sub-sub-programs: 4.1.7 Military Personnel – Morale and Well Being, 4.1.8 Military Personnel – Health Care)

Priority Element: The *Canada First* Defence Strategy is committed to ensuring a first-class, modern military that is well-trained, well-equipped, and ready to take on the challenges of the 21st century. The personnel pillar of the *Canada First* Defence Strategy is a critical component in enabling the CAF to deliver excellence at home, and be a strong and reliable partner in the defence of North America and a valuable contributor to overseas operations.

- **Plan: Advance a comprehensive plan to optimize the military and civilian workforce**
  - Developed streamlined functional planning guidance to better align with the business planning process, focus attention on best practices, and realign the workforce to priorities as defined by resource

allocation through the business planning process.

- Continued to develop the processes for a Multi-Year Establishment Plan that validates and prioritizes military and civilian personnel requirements based on current and future known manning pressures associated with joint and common defence requirements and the force development of new or emerging capabilities.
- Continued the May 2013 Vice Chief of the Defence Staff Initiating Directive - Rationalization of the Primary Reserve - Comprehensive Review in order to thoroughly explore, rationalize and incorporate the Reserve component resource into the CAF context, while also focusing on providing proposals to the Government of Canada on strengthening the Reserve for implementation in FY 2015-16.

(See sub-sub-programs: 4.1.10 Military Personnel and Organization – Strategic Coordination, Development and Control, 5.1.1 Capability Design and Management, and Sub-Program: 6.4 Human Resources Management)

Priority Element: Defence requires an adaptive, agile and responsive personnel management system that meets personnel capability requirements and provides progressive professional development and competency-based employment to meet organizational needs. A workforce that has the tools, knowledge, developmental plans and learning opportunities is essential to a fully-integrated, flexible, multi-role and combat-capable Defence Team.

- **Plan: Maximize military and civilian potential by continuing to strengthen leadership capacity through succession planning, continuous learning, and professional development**
  - Continued modernization of the Individual Training & Education system to ensure the delivery of performance-oriented, learner-centric training and education that are accessible to all through modern technology platforms.
  - Completed the concept design and commenced implementation of the new CAF personnel appraisal system.
  - Continued the implementation of pay consolidation and modernization.

(See Sub-Sub-Program: 4.1.10 Military Personnel and Organization – Strategic Coordination, Development and Control, and Sub-Program: 6.4 Human Resources Management)

Priority Element: Public Service Renewal is an overarching Public Service strategy to provide excellent advice and service to Government and Canadians.

- **Plan: Implement Public Service Renewal action plan aligned with the Clerk of the Privy Council's priorities**
  - On 7 June 2013, the Clerk of the Privy Council announced the Blueprint 2020 (BP2020) initiative, which arose from and replaces Public Service Renewal reports for the foreseeable future. Defence progressed the following initiatives in support of BP2020:
    - Technology: The IM/IT 2020 Tiger Team began a review of the existing IM/IT capabilities and how they can be better employed.
    - Innovative Practices and Networking: Two initiatives, digital signatures and a departmental podcast library were selected for investigation and potential for departmental implementation. A new profile series, *The Innovators*, was established to showcase civilian and military members of the Defence Team who have taken their ideas to the next level.
  - As of March 2014, Defence was 100 percent compliant with the Office of the Chief Human Resources Officer expectation of the Common Human Resources Business Process Implementation. Defence was identified as a candidate for Civilian Human Resources Capability Transformation project.

(See Sub-Program: 6.4 Human Resources Management)

Priority Element: The operational effectiveness of DND and the CAF depends on the formulation and implementation of specific programs to maximize the prevention of hazardous occurrences and minimize the impact of injury, illness and disease, thus contributing to the morale and well-being of all personnel.

- **Plan: Improve Defence Occupational Health and Safety Strategy**
  - Demonstrated success in the implementation of the goals and objectives related to the improvements to the Occupational Health and Safety Program.
  - Advanced the process of consolidating all range safety and field safety programs under a unified governance framework.

(See Sub-Sub-Program: 4.1.9 Organization – Security, Protection, Justice and Safety)

Priority: Ensuring Defence Affordability

Type: Ongoing

Strategic Outcomes:

- Defence Operations and Services Improve Stability and Security, and Promote Canadian Interests and Values
- Defence Remains Continually Prepared to Deliver National Defence and Defence Services in Alignment with Canadian Interests and Values

Description: To ensure Defence affordability in the short, medium and long term, the Defence Team must balance each of the four pillars of the *Canada First* Defence Strategy – Personnel, Equipment, Readiness, and Infrastructure – and carefully manage investments to maximize capability output, ensure stewardship of Defence resources, and deliver best value for Canada.

Summary of Progress:

The following lists the original plans and the key accomplishments in 2014-15:

Priority Element: Defence must maintain affordable and sustainable investment planning that delivers on *Canada First* Defence Strategy commitments, while also accounting for the potential for cost increases and funding requirements for new and expanded capabilities.

- **Plan: Improve investment planning and management to balance CFDS requirements**
  - Produced a departmental Investment Plan that enables long term financial flexibility to provide an affordable, sustainable, and achievable management framework that delivers on the CFDS commitments.
  - Integrated a number of investment databases and developed Investment Plan change management and Banking Day processes to provide a more robust analytical capability over the financial aspect of departmental investment planning.
  - Modeled investment planning scenarios in order to develop options that best balanced CFDS requirements and available fiscal resources.
  - Provided a life-cycle cost estimate for the Future Fighter Capability that has been independently verified by third-party audit firms. The same life-cycle framework is now being institutionalized across all major capital projects.
  - Completed all seven planned major disposal projects of surplus assets.

(See sub-sub-programs: 4.2.1 Materiel – Portfolio Management, 4.2.4 Materiel – Divestment and Disposal, 5.2.1: Strategic Capability Planning Support, and Sub-Program: 6.5 Financial Management)

Priority Element: Defence requires a corporate governance and business framework to deliver sustainable business management efficiencies, effectiveness, and accountability in order to maintain public confidence and trust.

- **Plan: Develop and implement Defence Business Management Capability**
  - Initiated an internal study of business intelligence capabilities to inform future investments and developments within the Defence Resource Management Information System.
  - Under Defence Renewal, Defence initiated a review of the Accountabilities, Responsibilities, and Authorities framework of the senior leadership and a review of the Governance Structure to enable more effective decision making.

(See Sub-Program: 6.1 Management and Oversight)

Priority Element: The Government has introduced a new organization, Shared Services Canada, to maximize efficiencies and to improve the delivery of common Government services to departments by streamlining and consolidating government networks, data centres, and email systems.

- **Plan: Implement the transition to Shared Services Canada**
  - Continued to strengthen relations with Shared Services Canada and the clear articulation of departmental IM/IT priorities.

(See Sub-Sub-Program: 4.4.4 Info Systems – Strategic Coordination, Development and Control)

Priority Element: Defence must improve its capacity for timely delivery of capital assets to meet the *Canada First* Defence Strategy objectives and maximize the broader economic agenda of the Government.

- **Plan: Improve Defence procurement**
  - Together with Public Works and Government Services Canada, Industry Canada, International Trade and Central Agencies, continued to implement initiatives aimed at leveraging and streamlining objectives of the Defence Procurement Strategy. Defence-specific initiatives include:
    - Interdepartmental consultation in an effort to improve and streamline the procurement process and enhance interdepartmental governance.
    - Published an updated Defence Acquisition Guide for 2015 to enhance Defence's relationship with industry.
    - Enhanced training, identification, and re-transfer authorities to ensure compliance integrity as it relates to domestic and international controlled goods obligations.
    - Provided qualified Project Managers for 90 percent of projects with ratings in the top half of Treasury Board Secretariat's criticality and risk ratings for projects.

(See sub-sub-programs: 4.2.2 Materiel – Acquisition, 4.2.6 Materiel – Inventory Management and Distribution)

Priority Element: Defence must be able to demonstrate compliance with Government regulations and Treasury Board mandatory reporting requirements pertaining to procurement, management, and control of inventories.

- **Plan: Continue to strengthen the core control framework in support of Treasury Board requirements pertaining to procurement, management, and control of inventories**
  - From September 2012 to February 2015, Defence completed over $3.5 billion of stocktaking and over $2.7 billion in stock verifications.
  - Progressed several initiatives to modernize inventory management programs. Key accomplishments include:
    - Rationalization: Investigated 1,141 NATO Stock Numbers (NSN) with a value of $944 million exceeding initial targets;
    - Modernization: Identified approximately 250,000 NSNs to be made historical and removed from the Defence Resource Management Information System active NSNs;
    - Project Disposal (Clean Up): Completed an analysis of approximately one third (approximately 24,000) of the NSNs currently marked for disposal; and
    - Project Disposal (Modernization): Conducted a detailed review of all processes and policies, regardless of organization.

- Continued to conduct an options analysis for an Automatic Identification Technology capability to transform its Global Supply Chain business to enhance military operational support; provide a total asset visibility capability; increase the supply chain efficiency; and provide sophisticated decision support, optimization, and control systems.

(See Sub-Sub-Program: 4.2.6 Materiel – Inventory Management and Distribution and Sub-Program: 6.9: Materiel)

Priority Element: The Defence Environmental Strategy is a Department priority that is being developed as a way forward for environmentally sustainable defence management over the next 20 years. Its impetus stems from the ongoing requirement of integrating environmental considerations into the wide breadth of activities undertaken within Defence in support of the four pillars upon which Canada's military capabilities are built: personnel, equipment, infrastructure, and readiness.

- **Plan: Promulgate the Defence environmental strategy**
  - Implemented and continued the development of the Defence Environmental Strategy plans to ensure environmental considerations are integrated into activities that support the Defence mandate.

(See Sub-Sub-Program: 4.3.5 Real Property – Environment and Remediation)

Priority Element: Defence must demonstrate compliance with architectural, fire protection, engineering, environmental and related legislation, as well as Government of Canada policies and agreements. The real property compliance strategy is a priority because the strategy will allow National Defence to make consistent and informed decisions in the prioritization, and risk management for the compliance with these requirements.

- **Plan: Implement Defence infrastructure compliance strategy**
  - Continued to develop the Infrastructure and Environment Compliance Oversight Strategy to make consistent and informed decisions on prioritization and risk management for compliance with architectural, fire protection, engineering, environmental and related legislation, as well as Government of Canada policies and agreements.

(See Sub-Sub-Program: 4.3.6 Real Property – Strategic Coordination, Development and Control)

Priority Element: The global financial crisis and the period of fiscal restraint has reinforced the importance of ensuring that DND/CAF achieve maximum value for dollar as the Department works to carrying the CFDS momentum forward. Defence Renewal is critical to placing the Defence Team on a strong financial foundation for the future. Our renewal vision for the Defence Team is to establish a lean and efficient organization that continuously finds ways to better conduct the business of Defence, that frees up resources to be reinvested in operational capabilities and readiness, and that delivers the best military capabilities at the best value for Canadians, in a manner that is affordable and sustainable over the long term.

- **Plan: Implement Defence Renewal**
  - Building on the foundation and progress of Defence Renewal's first year ending in March 2014, the period of April 2014 to March 2015 was both successful and challenging, the following are highlights of the progress achieved over the past fiscal year:
    - Realized fiscal pressure relief for National Procurement, Infrastructure and Cadets;
    - Added two new initiatives to the Defence Renewal Portfolio based on ideas for improvement from Defence Team members, namely improving ammunition management, and enhancing emergency dispatch systems. In addition, two new ideas - electronic approvals and departmental video/podcast library – are being assessed to determine potential for inclusion in the Defence Renewal portfolio;
    - Awarded a contract to KPMG to provide solutions to improve maintenance execution, examine and offer solutions for a leaner headquarters and to provide a framework for measurement and metrics for renewal;
    - Reduced overbuy expenditures;
    - Created a Recruiting Operations Centre that performs the intake management previously

conducted at 39 detachments across the country;

- Implemented a common enterprise-level IT Service Management toolset to support the Defence Wide Area Network. This new capability will provide IT business intelligence that will assist with the consolidation of IT Service Delivery organizations across Defence. To this end, work has begun to consolidate Regional Service Management Centres (RSMC), including detailed planning for the lead RSMC in Halifax, Nova Scotia and the RSMC in the National Capital Region;
- Obtained Treasury Board Secretariat approvals for Guardian, a modern, flexible and integrated workforce management system and worked with Public Works and Government Services Canada to develop a business case to leverage the Government of Canada payroll solution (Phoenix) as the pay engine for Military Pay;
- Demolished 166 additional buildings and structures on bases and wings across Canada as a part of infrastructure rationalization;
- Assessed interdependencies between Defence Renewal initiatives, broader Government of Canada change activities and other changes within the Defence Team in order to develop an improved management model of strategic change activities;
- Continued to engage the civilian and military members of the Defence Team to seek suggestions for ways to improve the conduct of the business of Defence; and
- Discussed Defence Renewal at leadership town halls at various organizational levels and senior CAF professional development programmes. Defence Renewal is also regularly featured in internal Defence Team media.

(See sub-sub-programs: 2.3.2 Youth Program, 4.1.1 Military Personnel – Regular Force Portfolio Management, 4.1.2 Military Personnel – Reserve Force Portfolio Management, 4.1.3 Military Personnel – Recruitment, 4.1.5 Military Personnel – Professional Development Training, 4.1.9 Organization – Security, Protection, Justice and Safety, 4.2.2 Materiel – Acquisition, 4.2.5 Materiel – Engineering, Test, Production and Maintenance, 4.2.7 Materiel – Strategic Coordination, Development and Control, 4.3.1 Real Property – Portfolio Management, 4.3.2 Real Property – Acquisition, 4.3.6 Real Property – Strategic Coordination, Development and Control, 4.4.1 Info Systems – Portfolio Management, 4.4.2 Info Systems – Acquisition, Development and Deployment, 4.4.3 Info Systems – System Management and User Support, 4.4.4 Info Systems – Strategic Coordination, Development and Control, 5.1.2 Concept, Doctrine Development and Warfare Experimentation, 5.2.2 Strategic Force Posture Planning Support, and sub-programs: 6.1 Management and Oversight, 6.4 Human Resources Management)

Risk Analysis

Defence is influenced by a wide range of domestic and international factors that have an impact on how we carry out our mandate. These factors present us with both risks and opportunities, which are taken into account as we deliver on our roles and responsibilities. By continuously monitoring emerging issues, developments and trends, we can anticipate and respond to challenges and the risks associated with them.

Six key Corporate Risks that could have a Defence-wide impact were highlighted for fiscal year 2014-15, including Defence Readiness, Defence Team Capacity, Investment Planning Flexibility, Capability Delivery Process Complexity, Security, and Integrated IM/IT (Opportunity). To fulfill the Government of Canada's expectations, Defence has and will continue to manage these Corporate Risks in an effective manner.

Defence Readiness is a key risk consideration due to the unpredictable nature of the security environment which dictates that National Defence and the Canadian Armed Forces must be ready to respond to new missions without affecting ongoing security and defence commitments. The CDS Force Posture and Readiness Directive is the principle mechanism to ensure that CAF elements are resourced, trained, maintained and sustained at levels of readiness in accordance with Government of Canada expectations.

The Defence Team Capacity risk is significant to Defence as the effective management of the risk enables it to fulfil the expectations of the Government of Canada and Canadians. An aging Canadian population and growing competition for skilled talent between public and private sector employers affects Defence's ability to renew and strengthen the workforce. Defence itself faces high attrition rates due to impending retirement of its personnel. Improving strategic level human resources plans and strengthening leadership capacity, succession planning, continuous learning, and professional development will allow Defence to continue to respond effectively to this risk.

The Investment Plan flexibility risk is important to Defence because the changing strategic situation, new developments in technology and the operational art may necessitate or create opportunities to invest in new capabilities. Flexibility is necessary in order to respond to these changes quickly, while still providing value for Canadians when obtaining materiel to support new or improved capabilities. A carefully crafted Investment Plan, Integrated Disposal Framework, and a comprehensive analysis process for assessing new projects will allow Defence to improve the inclusion of new or updated capabilities and the retirement of outdated capabilities to ensure long-term affordability and balance investments across the four pillars of CFDS.

The Capability Delivery Process Complexity risk is significant because the timely and efficient delivery of capabilities is essential to enable operations today and tomorrow and allow success for the CAF across CFDS missions important to Defence and Canadians. The Project Approval Process Redesign, institutionalization of Project Management Competency Development and Economic Action Plan 2013 goals all improve the efficacious delivery of capabilities to enable operations and provide value for Canadians.

The Security Risk is important to Defence because ensuring an adequate security infrastructure is key to supporting defence readiness, capacity, protecting critical information assets, protecting the force and maintaining DND/CAF as a trusted partner and ally. This enables Defence to meet the expectation of the Government of Canada and Canadians. The implementation of comprehensive security orders and directives and the Security Assessment and Authorization program are vital steps in continued improvements to overall Defence Security and IM/IT security.

The Integrated IM/IT risk is crucial to Defence since synergistic sharing of information promotes success in operations and efficiency in all other areas of Defence. The refocused IM/IT strategy under the umbrella of Defence Renewal will optimize IT Service Delivery, increase the efficiency of the IM/IT Program by improving application management practices and build on existing efforts to synchronize planning, that will help make IT expenditure more efficient.

Key Risks

Risk	Risk Response Strategy	Link to Program Alignment Architecture
Defence Readiness There is a risk that a major unexpected event may require Defence to reallocate resources at short notice, which may dramatically affect ongoing missions and jeopardize the Government's international security related commitments.	To mitigate this risk identified in National Defence's 2014-15 Report on Plans and Priorities (RPP): ♣ The Directive for CAF Force Posture and Readiness was updated and implemented to adjust the necessary tasks based on lessons learned and from an updated understanding of possible threats to Canada. This provided a clear and viable plan which developed and maintained the capabilities and readiness levels necessary to meet the requirements of the CFDS within horizon 1. This Directive will continue to be reviewed every year.	3.0 Defence Ready Force Element Production 4.0 Defence Capability Element Production 3.1.1 Maritime Roles – Readiness Sustainment 3.1.2 Land Roles – Readiness Sustainment 3.1.3 Aerospace Roles – Readiness Sustainment 3.1.4 Special Operations Roles – Readiness Sustainment 3.1.5 Joint and Common Roles – Readiness Sustainment

Risk	Risk Response Strategy	Link to Program Alignment Architecture
Defence Team Capacity There is a risk that Defence will not have the right number of personnel with the right competency, at the right place, and at the right time, which may affect its capability to fulfill current or future Government of Canada and Defence expectations.	To mitigate this risk identified in the 2014-15 RPP: ♣ Defence promulgated streamlined functional planning guidance in order to focus attention on best practices to realign the workforce to priorities as defined by resource allocation through the business planning process. As well, Defence continued to develop the processes for a Multi-Year Establishment Plan that validates and prioritizes military and civilian personnel requirements based on current and future known manning pressures. Defence continued the comprehensive review for the rationalization of the Primary Reserve in order to thoroughly explore, rationalize and incorporate the Reserve component resource into the CAF context, while also focusing on providing proposals to the Government of Canada on strengthening the Reserve for implementation in FY 2015-16. ♣ Defence created a Recruiting Operations Centre that performs the intake management previously conducted at 39 detachments across the country. ♣ Defence also continued the modernization of the Individual Training & Education system and progressed the concept design, and commenced implementation of the new CAF personnel appraisal system. ♣ In addition to the aforementioned responses to this risk, Defence continued to bolster the sustainability and effectiveness of the CAF Health Care system by monitoring the ongoing performance of the system through the annual Military Health Program presentation to the Departmental Program Management Board. This included initiatives such as: ▪ Establishing the Canadian Military and Veterans Mental Health Centre of Excellence and creating a	4.1.1 Military Personnel – Regular Force Portfolio Management 4.1.2 Military Personnel – Reserve Force Portfolio Management 4.1.5 Military Personnel – Professional Development Training 4.1.7 Military Personnel – Morale and Well Being 4.1.8 Military Personnel – Health Care 4.1.10 Military Personnel and Organization – Strategic Coordination, Development and Control 6.1 Management and Oversight 6.4 Human Resources Management

	Chair in Military Mental Health, which will support clinical best practices and prioritize mental health research, education and prevention. ▪ Defence development of a robust, interdisciplinary and harmonized mental health capacity focusing on training and education, prevention and intervention to enhance the psychological resilience of CAF personnel.	

Risk	Risk Response Strategy	Link to Program Alignment Architecture
Investment Planning Flexibility There is a risk that Defence will be unable to fund new requirements or major acquisition cost increases and it may not be possible to take advantage of opportunities that arise.	To mitigate this risk identified in the 2014-15 RPP: ♣ Defence produced a departmental investment plan enabling long term financial flexibility in order to provide an affordable, sustainable and achievable management framework. ♣ As well, Defence integrated some of its investment databases and developed Investment Plan change management and Banking Day processes to provide a more robust analytical capability over the financial aspect of departmental investment planning and provided a Life Cycle Cost estimate that has been independently verified by third-party audit firms. The same life-cycle framework is now being institutionalized across all major capital projects. ♣ Modeled investment planning scenarios in order to develop options that best balanced CFDS requirements and available fiscal resources. ♣ Additionally, Defence completed all seven of its planned major disposal projects of surplus assets. ♣ Defence Renewal contributed to the management of this risk including: ▪ Realized fiscal pressure relief for National Procurement, Infrastructure and the Youth Program. ▪ Inventory Management reduced overbuy expenditures. ▪ As a part of infrastructure rationalisation, 166 additional buildings and structures were demolished on bases and wings across Canada. ♣ Initiated an internal study of business intelligence capabilities to inform future investments and developments within the Defence Resource Management Information System.	4.2.1 Materiel – Portfolio Management 4.2.4 Materiel – Divestment and Disposal 4.2.6 Materiel – Inventory Management and Distribution 4.2.7 Materiel – Strategic Coordination, Development and Control 4.3.1 Real Property – Portfolio Management 4.3.6 Real Property – Strategic Coordination, Development and Control 5.2.1: Strategic Capability Planning Support 6.1 Management and Oversight 6.5 Financial Management

Risk	Risk Response Strategy	Link to Program Alignment Architecture
Capability Delivery Process Complexity There is a risk that the complexity of development, programme approval and Government of Canada defence procurement processes will prevent Defence from meeting its investment targets in critical physical assets (equipment, physical and information infrastructure and real property) in a timely, sustainable and affordable manner to enable CAF operations.	To mitigate this risk identified in the 2014-15 RPP: • Defence completed a new protocol, via the Defence Renewal Project Approval Process Review and negotiated with TBS, for a less time-consuming way ahead. The protocol will streamline less complex projects within MND authority. Further development of this important enabling initiative will proceed. • Additionally, in response to this risk, Defence, together with PWGSC, Industry Canada, International Trade and central agencies, continued to implement initiatives aimed at leveraging and streamlining objectives of the *Defence Procurement Strategy*. Defence-specific initiatives include: ▪ Interdepartmental consultation in an effort to improve and streamline the project approval process and enhance departmental governance; ▪ Internal Review Panel members appointed on 1 June 2015 to provide third party review of High Level Military Requirements; and ▪ Publication of an updated Defence Acquisition Guide for 2015 to enhance Defence's relationship with industry. • Defence also enhanced training to continue to ensure compliance integrity as it relates to domestic and international controlled goods obligations and provide qualified Project Managers for 90 percent of projects with ratings in the top half of Treasury Board Secretariat's criticality and risk ratings for projects. • Initiated an internal study of business intelligence capabilities to inform future investments and developments within the Defence Resource Management Information System.	4.2.2 Materiel – Acquisition 4.2.6 Materiel – Inventory Management and Distribution 4.2.7 Materiel – Strategic Coordination, Development and Control 6.1 Management and Oversight

Risk	Risk Response Strategy	Link to Program Alignment Architecture
Security There is a risk that the Defence security infrastructure is insufficient to ensure that Defence can support its overall defence readiness, capacity, and ability to operate as a trusted partner.	To mitigate this risk identified in the 2014-15 RPP: • Defence established a new security organization in 2014-15. Defence also revitalized the Senior Security Advisory Committee for governance of the new organization and its roles. • Defence conducted a thorough review and update of the National Defence Security Orders and Directives in order to clearly articulate to all DND and CAF personnel the responsibilities related to the defence security program. • Defence continued to develop a Departmental Security Plan in order to improve the effective management of security risks and aid in the communication and coordination of initiatives designed for the overall improvement of Defence security. • Furthermore, to improve IM/IT security, the certification and accreditation program was replaced with the security assessment and authorization program.	4.1.9 Organization – Security, Protection, Justice and Safety 4.4.1 Info Systems – Portfolio Management 4.4.2 Info Systems – Acquisition, Development and Deployment 4.4.3 Info Systems – System Management and User Support

Risk	Risk Response Strategy	Link to Program Alignment Architecture
Integrated IM/IT (Opportunity) There is an opportunity for Defence to take advantage of emerging technology to further an integrated IM/IT infrastructure that can provide a flexible and agile information environment conducive to efficient, interoperable, joint CAF operations and executive Defence decision making, while achieving value for money and demonstrating sound stewardship.	To mitigate this risk identified in the 2014-15 RPP: • Defence continued to strengthen its cyber capabilities including advice and analysis on cyber risks, threats, and incidents, and contributing to support joint cyber security efforts with allied military organizations. • Defence also developed a revised IM/IT future governance framework and business planning process and continued to advance the alignment with the Government of Canada web renewal initiative. • Initiated an internal study of business intelligence capabilities to inform future investments and developments within the Defence Resource Management Information System.	4.4.1 Info Systems – Portfolio Management 4.4.3 Info Systems – System Management and User Support 4.4.4 Info Systems – Strategic Coordination, Development and Control 5.1.1 Capability Design and Management 5.1.3: Science and Systems Development and Integration 5.2.1 Strategic Capability Planning Support 6.7 Information Technology

ACTUAL EXPENDITURES

Budgetary Financial Resources (dollars)

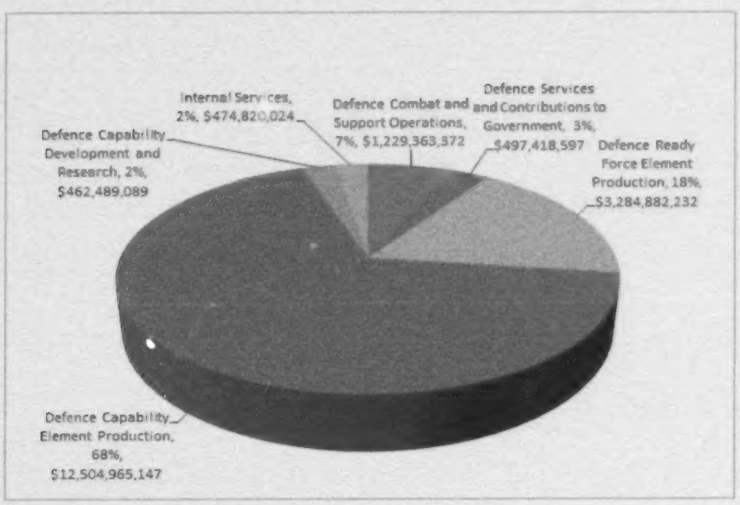
The following table summarizes Defence's total planned and actual spending for fiscal year (FY) 2014-15.

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities Available for Use	2014–15 Actual Spending (authorities used)	Difference (actual minus planned)
18,661,554,387	18,224,737,824	20,453,156,053	18,453,938,461	229,200,637

In 2014-15, the Main Estimates were increased by $1,791.6 million through Supplementary Estimates and allotments from the Treasury Board to a total authorities available for use of $20,453.2 million. The difference between total authorities and actual spending of $18,453.9 million is $1,999.2 million, which consists of:

- $1,692.3 million in authorities that will be available to the Department in future years related to:
  - $1,335.1 million for adjustments to spending on major capital equipment and infrastructure projects to align financial resources with current project acquisition timelines;
  - $245.2 million in Carry Forward of lapsed funding from 2014-15 that will be available to the Department in 2015-16;
  - $96.7 million for collective bargaining agreements; and
  - $15.3 million in proceeds from the disposal of surplus Crown assets which will be returned to the Department in 2015-16.
- $99.9 million primarily related to:
  - $58.0 million for Canada's international operations;
  - $16.7 million for military and civilian severance pay savings related to the Budget 2013 Spending Review; and
  - $25.2 million in other frozen allotments.
- $207.0 million in residual lapses.

2014-15 Departmental Spending by Program (dollars)


Internal Services, 2%, $474,820,024
Defence Combat and Support Operations, 7%, $1,229,363,372
Defence Services and Contributions to Government, 3%, $497,418,597
Defence Capability Development and Research, 2%, $462,489,089
Defence Ready Force Element Production, 18%, $3,284,882,232
Defence Capability Element Production, 68%, $12,504,965,147

Human Resources (Full-Time Equivalents - FTEs)

The Canadian Armed Forces (CAF) is currently below its desired end-state for total Regular Force manning of 68,000 +/- 500, due to higher than forecasted attrition and other factors. Measures will continue to be applied to increase production and limit voluntary attrition in order to re-establish the CAF to its authorized strength as soon as practical.

While civilian workforce planned FTEs are subject to budgetary approval, the Department is now focussed on identifying and staffing key future and priority positions in order to return to the approved target of approximately 24,000 civilian employees.

The following table summarizes Defence's total planned and actual human resources FTEs[13] for FY 2014-15.

	Planned	Actual	Difference (actual minus planned)
Military - Regular Force	68,000	66,130	(1,870)
Civilian	24,269	22,011	(2,258)
TOTAL	92,269	88,141	(4,128)

Notes:

1. In comparison with the 2013-14 Departmental Performance Report (DPR) actual figures, Regular Force FTEs decreased by 1,556 and civilian FTEs decreased by 3,244.
2. One FTE does not necessarily equal one employee (i.e. two part-time employees may count as one FTE). See Appendix: Definitions.

Human Resources - Reserve Force Personnel

The Reserve Force is a unique and valued component of the CAF. The Primary Reserve is currently below the Government of Canada-directed average paid strength due to a higher than forecasted attrition and challenges in meeting recruiting quotas. Mitigating actions are underway to improve recruiting success and to reduce voluntary attrition in order to re-establish and expand the Primary Reserve's strength by 1,500 to a Government-authorized 28,500 personnel. The remaining two active sub-components of the Reserve Force – the Canadian Rangers and the Cadet Organization Administration and Training Service – will be maintained at the current approved total strength targets of 5,000 and 8,000 respectively. In addition, the CAF Regular Force recruiting plan includes the annual component transfer of 800 personnel from the Primary Reserve. Institutionally, a major review of Primary Reserve requirements will continue so as to ensure the allocation and employment of personnel is consistent with Defence priorities, is sustainable and remains within Government of Canada direction.

The following table summarizes Defence's total planned and actual human resources[14] for Reserve Force Personnel for FY 2014-15.

	Planned	Actual	Difference (actual minus planned)
Primary Reserve Average Paid Strength	27,000	21,707	(5,293)
Cadet Organizations Administration and Training Service Total Strength	8,000	7,912	(88)
Canadian Rangers Total Strength	5,000	5,194	194

Notes:

1. For details on the Cadet and Junior Canadian Rangers, see Sub-Sub-Program 2.3.2: Youth Program.
2. For details on the Canada's Reserve Force[15], see the supporting document on the Defence web site.

Budgetary Performance Summary for Strategic Outcomes and Programs (dollars)

Strategic Outcomes, Programs, and Internal Services	2014-15 Main Estimates	2014-15 Planned Spending	2015-16 Planned Spending	2016-17 Planned Spending	2014-15 Total Authorities Available for Use	2014-15 Actual Spending (authorities used)	2013-14 Actual Spending (authorities used)	2012-13 Actual Spending (authorities used)
Strategic Outcome 1 – Defence Operations and Services Improve Stability and Security, and Promote Canadian Interests and Values								
1.0 Defence Combat and Support Operations	1,363,942,346	1,363,942,347	1,294,500,580	1,318,814,331	1,584,467,565	1,229,363,372	1,488,574,710	1,542,935,869
2.0 Defence Services and Contributions to Government	407,959,810	407,959,811	382,286,293	389,063,763	438,816,642	497,418,597	520,303,388	438,761,017
Subtotal	**1,771,902,156**	**1,771,902,158**	**1,676,786,873**	**1,707,878,094**	**2,023,284,207**	**1,726,781,969**	**2,008,878,098**	**1,981,696,886**
Strategic Outcome 2 – Defence Remains Continually Prepared to Deliver National Defence and Defence Services in Alignment with Canadian Interests and Values								
3.0 Defence Ready Force Element Production	3,039,436,884	3,039,436,885	3,102,147,905	3,136,189,956	3,281,611,558	3,284,882,232	3,340,624,380	3,443,414,107
4.0 Defence Capability Element Production	13,086,304,226	12,649,487,661	13,336,464,765	13,537,771,679	14,316,908,755	12,504,965,147	12,464,777,545	13,594,506,574
5.0 Defence Capability Development and Research	326,339,123	326,339,123	373,537,801	382,101,670	381,089,627	462,489,089	437,853,050	452,080,281
Subtotal	**16,452,080,232**	**16,015,263,668**	**16,812,150,471**	**17,056,063,305**	**17,979,609,940**	**16,252,336,468**	**16,243,254,975**	**17,490,000,962**
6.0 Internal Services Subtotal	437,571,998	437,571,998	453,116,285	464,729,483	450,261,906	474,820,024	512,241,132	506,492,283
Total	**18,661,554,387**	**18,224,737,824**	**18,942,053,629**	**19,228,670,882**	**20,453,156,053**	**18,453,938,461**	**18,764,374,206**	**19,978,190,131**

Sources: Vice-Chief of the Defence Staff Group / Assistant Deputy Minister (Finance) / Chief Financial Officer Group

Notes:

1. Due to rounding, figures may not add up to total shown.
2. Where the actual spending amount is higher than the total authorities, this does not represent an over expenditure of Parliamentary authorities. Parliamentary authorities are allocated by vote and not by individual Programs, Sub-Programs, and Sub-Sub Programs.
3. Significant differences in financial resources are explained in Section II of this report.

The differences between planned and final spending authorities used are summarized as follows:

Explanation of Change	Change (dollars)
Increases	
Funding in Statutory related to military Employee Benefit Plan forecasts	364,988,599
Funding associated with the *Canada First* Defence Strategy	252,170,000
Funding associated with *Manuge v. Her Majesty the Queen* Class Action Lawsuit	204,154,597
Funding related to military operations overseas	85,811,095
Other miscellaneous departmental requirements	28,517,609
Total Increases	**935,641,900**
Decreases	
Net adjustments to the spending profile of major capital equipment and infrastructure projects to align financial resources with project acquisition timeliness	(590,361,113)
Funding related to the North Atlantic Treaty Organization contribution program	(41,428,434)
Net transfers to Other Government Organizations	(39,789,139)
Funding related to the Military Pension Renewal	(34,862,577)
Total Decreases	**(706,441,263)**
Net Change	**229,200,637**

ALIGNMENT OF SPENDING WITH THE WHOLE-OF-GOVERNMENT FRAMEWORK

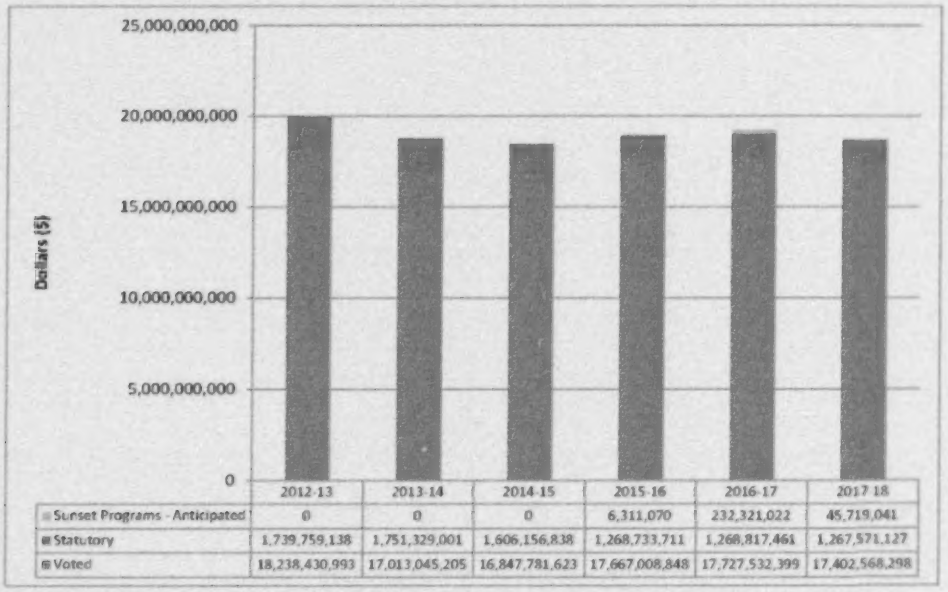
Alignment of 2014-15 Actual Spending with the Whole-of-Government Framework[16] (dollars)

Strategic Outcome	Program	Sub Program	Spending Area	Government of Canada Outcome	2014-15 Actual Spending
Defence Operations and Services Improve Stability and Security and Promote Canadian Interests and Values	1.0 Defence Combat and Support Operations	1.1 Domestic and Continental Defence Operations	Social Affairs	A safe and secure Canada	199,444,971
		1.2 International Combat Operations	International Affairs	A safe and secure world through international engagement	173,172,331
		1.3 Ongoing Centralized Operations and Operational Enablement	International Affairs	A safe and secure world through international engagement	856,746,069
	2.0 Defence Services and Contributions to Government	2.1 Disaster Relief and Humanitarian Operations	International Affairs	A safe and secure world through international engagement	15,126,725
		2.2 Defence Services for Canadian Safety and Security	Social Affairs	A safe and secure Canada	95,134,974
		2.3 Military Heritage and Outreach	Social Affairs	A vibrant Canadian culture and heritage	387,156,898
Defence Remains Continually Prepared to Deliver National Defence and Defence Services in Alignment with Canadian Interests and Values	3.0 Defence Ready Force Element Production	3.1 Force Elements Readiness Sustainment	Social Affairs	A safe and secure Canada	891,429,399
		3.2 Force Elements Integration Training	Social Affairs	A safe and secure Canada	469,427,526
		3.3 Force Elements Production	Social Affairs	A safe and secure Canada	1,357,538,844
		3.4 Operational Readiness Production, Coordination and Command and Control	Social Affairs	A safe and secure Canada	566,486,463
	4.0 Defence Capability Element Production	4.1 Military Personnel and Organizational Lifecycle	Social Affairs	A safe and secure Canada	3,771,764,487
		4.2 Materiel Lifecycle	Social Affairs	A safe and secure Canada	5,968,990,396
		4.3 Real Property Lifecycle	Social Affairs	A safe and secure Canada	1,962,778,579
		4.4 Information Systems Lifecycle	Social Affairs	A safe and secure Canada	801,431,686
	5.0 Defence Capability Development and Research	5.1 Capability Design, Development and Integration	Social Affairs	A safe and secure Canada	385,285,335
		5.2 Strategic Direction and Planning Support	Social Affairs	A safe and secure Canada	77,203,754

Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending	Total Actual Spending
Economic Affairs	0	0
Social Affairs	16,750,503,414	16,934,073,312
International Affairs	1,036,662,412	1,045,045,125
Government Affairs	0	0
Total (Does not include Internal Services)	**17,787,165,826**	**17,979,118,437**

DEPARTMENTAL SPENDING TREND



	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Sunset Programs - Anticipated	0	0	0	6,311,070	232,321,022	45,719,041
Statutory	1,739,759,138	1,751,329,001	1,606,156,838	1,268,733,711	1,268,817,461	1,267,571,127
Voted	18,238,430,993	17,013,045,205	16,847,781,623	17,667,008,848	17,727,532,399	17,402,568,298

Notes:

1. Total spending for 2012-13, 2013-14, and 2014-15 represent the final spending on a cash basis, as provided in the Public Accounts.
2. Planned spending for 2015-16, 2016-17, and 2017-18 as provided in the *Report on Plans and Priorities 2015-16*.
3. Spending includes Internal Services.

Planned spending in 2015-16 is higher than actual spending in 2014-15. The major factor contributing to the net change includes adjustments to the spending profile of major capital equipment and infrastructure projects into the future in order to align financial resources with project acquisition timelines.

ESTIMATES BY VOTE

For information on Defence's organizational Votes and statutory expenditures, consult the *Public Accounts of Canada 2015*[17] on the Public Works and Government Services Canada website.

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SECTION II: ANALYSIS OF PROGRAMS BY STRATEGIC OUTCOME

The performance analysis and lessons learned in this section discuss the results achieved towards meeting Program expected results. The organizational priorities and key initiatives defined in Section I are also discussed where they support the respective Program's core business as articulated in their description. Within the applicable sub-sub-programs, significant financial variances are explained where there is a difference greater than $100M between planned and actual figures.

STRATEGIC OUTCOME 1: DEFENCE OPERATIONS AND SERVICES IMPROVE STABILITY AND SECURITY, AND PROMOTE CANADIAN INTERESTS and VALUES

There are two Programs associated with this Strategic Outcome:

- Program 1.0: Defence Combat and Support Operations
- Program 2.0: Defence Services and Contributions to Government

These Programs were designed to encompass the full spectrum of operations and services delivered by Defence, some of which by their nature are very unpredictable. For those Programs, there will be no or little programmed spending until trend data is available. In addition, Programs focused on rare and exceptional occurrences will also have no forecast spending.

Program 1.0: Defence Combat and Support Operations

The *Defence Combat and Support Operations* Program delivers military power in combat, security, stability and surveillance operations in response to armed threats, or potential armed aggression, for the purpose of protecting Canadian sovereignty, upholding the values of Canadians, and defending the interests of the Government of Canada. Results are achieved through this Program by the application of Defence capabilities in domestic, continental and international domains, either independently or in combination with allies, where the primary focus is to inflict military effects against threats. The term Defence capability is a collective term that refers to the ability of a military force to achieve a desired effect against a threat during the execution of a Defence operation (or the delivery of a Defence service) by executing tasks according to understood concepts, doctrine and standards. The military forces delivered by Defence are composed of force elements which are organizational entities that are in-turn composed of members of the Canadian Armed Forces (CAF), and in some cases personnel from the Department of National Defence (DND). Force elements integrate people, with specialized information, materiel (e.g., equipment, platforms, weapon systems) and in some cases real property, so that capabilities can be applied against threats. Force elements have different sizes and compositions according to the capabilities they must apply during an operation. This Program is underpinned by the *National Defence Act*, defence policy, international treaties and agreements, membership in international organizations, and direction received by the Government of Canada. Sub-programs beneath this Program target a range of threats across a variety of operational contexts via different delivery mechanisms in different geographic regions.

2014-15 Budgetary Financial Resources (dollars)

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (actual minus planned)
1,363,942,346	1,363,942,347	1,584,467,565	1,229,363,372	(134,578,975)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	6,328	5,978	(350)
Civilian	931	661	(270)
TOTAL	7,259	6,639	(620)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The application of Canadian Defence and Security capabilities continuously protects the sovereignty of Canada, the values of Canadians and the interests of the Government of Canada against risks imposed by armed threats	% of Defence Combat and Support Operations that have successfully achieved their operational objectives	90 - 100%	99.5%

Performance Analysis and Lessons Learned

In a complex and unpredictable global security environment, Defence continues to protect Canadian interests and values at home and abroad. From Afghanistan to the Republic of Iraq, Canada's military has consistently contributed to multinational operations to deter terrorism, to defend human rights, and to act as a force for good in this world.

In 2014-15, the CAF stood with international partners to combat the threat posed by the so-called Islamic State of Iraq and Syria (ISIS) with an advise and assist mission, an air task force, special forces, liaison officers and support elements such as command and control, medical personnel, and logistics. Outside the Middle-East, ISIS also threatens the security and stability of Western countries which strengthens Canada's resolve to continue the fight against ISIS and global terrorism.

In addition, Canada acted with its NATO allies to promote security and stability in Central and Eastern Europe. The deployment of personnel and equipment in support to NATO assurance measures is one of several meaningful and important ways that Canada is demonstrating a long-standing commitment to NATO.

Through the Military Training and Cooperation Program, the Defence Team built capacity and fostered interoperability, while strengthening the capacity of partner countries to contribute to international peace and security.

At home, the CAF continued to demonstrate operational excellence in domestic operations, including exercising Canada's Arctic sovereignty. Also, by working closely with the United States in the defence of North America through the bi-national North American Aerospace Defense Command (NORAD), the CAF significantly contributed to providing aerospace surveillance and control, as well as maritime warning.

In the period leading up to the attacks in October 2014, the CAF maintained Force Protection Measures (FPM) commensurate with known threats at the time. Following the two attacks on CAF members on home soil, the CAF raised its Force Protection Levels as an appropriate response to these actions, while continuing to defend Canadians and Canadian interests at home and abroad. On the order of the CDS, Commander Canadian Joint Operations Command issued direction for bases across Canada to increase local FPM and for CAF High Readiness Units to heighten their alert status. When such national threat and events happen, the Canadian Armed Forces are in constant communication with our federal partners and allies on issues regarding the safety and security of Canada and Canadians.

The Defence Team as a whole remained committed to the defence of Canada and Canadian interests.

For details regarding CAF operations, see the sub- and sub-sub-programs below and the Operations[18] page on the Defence website.

Sub-Program 1.1: Domestic and Continental Defence Operations

Domestic and Continental Defence Operations aim to deliver military power within Canada and across North America in response to armed threats, or the potential for armed aggression, in order to protect Canadian sovereignty, uphold the values of Canadians, and defend the interests of the Government of Canada. Results are achieved through the employment of force elements, either independently or in concert with continental partners, that apply requisite military capabilities in the conduct of routine and contingency operations. Routine operations typically occur on an ongoing basis, whereas contingency operations may be planned for but occur only in response to a particular event or upon specific request from the Government of Canada. Therefore not all of the sub-sub-programs under this Program may contain significant operations every fiscal year. However, regardless of when and if they occur, the operations within this Program typically aim to maintain and/or restore domestic and continental security through the detection and monitoring of threats and, when necessary, deliver military intervention. This Program is bound by several federal laws, regulations, policies, international conventions and bi-national agreements such as the North American Aerospace Defence agreement that facilitates co-ordination and shared responsibilities for the defence of the North American continent.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
335,590,254	199,444,971	(136,145,283)

Note: The difference is due in part to variances explained under sub-sub-programs 1.1.2: Ongoing Defence, Security and Sovereignty of Canada Operations and 1.1.4: Ongoing Continental Defence Operations in Cooperation with the United States.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	2,532	2,249	(283)
Civilian	22	3	(19)
TOTAL	2,554	2,252	(302)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Risks imposed by armed threats against the sovereignty of Canada, the values of Canadians, and the interests of the Canadian Government are reduced	% of Domestic and Continental Defence operations that have successfully achieved their operational objectives	90 - 100%	100%

Performance Analysis and Lessons Learned

Program performance was assessed against the goal of 90 percent of domestic and continental Defence operations successfully achieving their operational objectives. The CAF deployed personnel and capabilities to successfully conduct defence security, sovereignty and continental operations, including through existing Canada-United States agreements, to deliver military power within Canada and across North America and to protect and defend Canada.

For details regarding CAF operations, see the sub-sub-programs below. For information on the Incremental Costs for Major Canadian Armed Forces (CAF) Continental Operations[19], see the Defence website.

Sub-Sub-Program 1.1.1: Operations to Defend Canada Against Armed Threats

Operations to Defend Canada Against Armed Threats aim to defend Canada against armed threats and provide military power when necessary anywhere in Canada for the purpose of averting major crises where armed aggressors threaten Canadians, Canadian sovereignty, or the interests of the Canadian Government. Results are achieved through the deployment of immediate response force elements and, when required, the mobilization, employment and sustainment of larger follow-on force elements in accordance with the mandated role of National Defence. This Program directly supports Canada and Canadians.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
-	-	-

Note: Since operations in this Program are rare and unexpected, no expenditures were forecasted. Since no domestic combat operations took place during the year, there were no expenditures in this Program.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	-	-	-
Civilian	-	-	-
TOTAL	-	-	-

Note: Personnel are drawn from Ready Forces as required to provide Defence services under this Sub-Sub-Program. Since no domestic combat operations took place during the year, there were no human resources attributed to this Sub-Sub-Program.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The Canadian territory is secure and protected from crises and risks associated with direct affronts by armed threats	% of Commander's Intent (Operational Objectives) that have been met	90 - 100%	N/A
	% of Stated Operational Effects achieved	90 - 100%	N/A
	% assigned critical tasks completed	90 - 100%	N/A

Performance Analysis and Lessons Learned

While no domestic combat operations took place during FY 2014-15, high readiness capabilities were maintained to generate immediate response forces, at various states of readiness, to respond to crises anywhere in Canada.

For details on defence readiness, see Program 3.0: Defence Ready Force Element Production.

Sub-Sub-Program 1.1.2: Ongoing Defence, Security and Sovereignty of Canada Operations

Ongoing Defence, Security and Sovereignty of Canada Operations aim to ensure constant monitoring and conspicuous presence of military forces in Canadian territory, including the Arctic, through the application of military power. When necessary, this Program also delivers localized responses against detected aggressors that threaten the security of Canadians, the sovereignty of Canada, or the interests of the Canadian Government. Typical results are achieved through the employment of force elements with the requisite Defence capabilities to conduct surveillance operations; maritime, land, and air patrols; and operations to assert Canada's sovereignty. Results are typically achieved through this Program by focused execution of: national intelligence, surveillance and reconnaissance operations; presence operations; and intercept operations.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
178,693,580	77,259,347	(101,434,233)

Note: The difference is primarily due to the overestimation of planned spending in this Sub-Sub-Program. The difference is also due to a reduction in aerospace operational activities. This reduction is offset by an increase in aerospace readiness activities under Sub-Sub-Program 3.1.3: Aerospace Roles – Readiness Sustainment.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military - Regular Force	1,486	1,224	(262)
Civilian	17	1	(16)
TOTAL	1,503	1,225	(278)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Canada's territory is secure and protected through presence, surveillance and localized responses	% of Commander's Intent (Operational Objectives) that have been met	90 - 100%	100%
	% of Stated Operational Effects achieved	90 - 100%	100%
	% assigned critical tasks completed	90 - 100%	100%

Performance Analysis and Lessons Learned

Program performance was assessed against the goal of achieving 90 percent success against three key indicators. Ongoing defence security and sovereignty missions achieved 100 percent of operational objectives, operational effects and assigned critical tasks, ensuring that immediate response forces remained capable of deterrence, available to deliver localized response and able to enhance or reinforce monitoring and surveillance functions.

The Arctic remains a region free of conflict; yet it is not immune to the effects of international challenges. It is in the interest of all Arctic states to ensure that it remains a region of cooperation and stability. Through various **Arctic sovereignty** operations and exercises, Defence addressed the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians**. In 2014-15, Defence demonstrated Canada's ability to exercise sovereignty in the Arctic region, enhanced the CAF's ability to operate in the Arctic, strengthened and developed whole-of-government partnerships, and maintained interoperability amongst northern partners.

Highlights for FY 2014-15 include:

- Operation NUNALIVUT, the annual exercise consisting of high Arctic sovereignty patrols, took place between April 2 and May 3. Approximately 250 CAF members were deployed to three locations in the Resolute Bay area of Nunavut. Operation NUNALIVUT combines air, sea, and land operations with Canadian Rangers from 1 Canadian Ranger Patrol Group. As experts of living and operating on the northern land, the Rangers provide mentorship and expertise to southern troops.
- Operation NEVUS, an annual exercise, took place between June 1 and July 2. A CAF technical team was deployed to Ellesmere Island to perform essential and corrective maintenance on the High Arctic Data Communications System - a critical communication link between the Canadian Forces Station Alert and Ottawa.
- Operation NUNAKPUT took place between June 15 and July 27. The exercise's focus was on developing both a maritime and air presence on the Great Slave Lake, the Mackenzie River, and the Beaufort Sea region. It

was conducted by Joint Task Force (North) in coordination with the Canadian Coast Guard, Fisheries and Oceans Canada, Environment Canada, and the Royal Canadian Mounted Police.

- Operation NANOOK, the largest sovereignty exercise in Canada's North, was conducted from August 20 to 29 in York Sound and the Davis Strait, Nunavut. It involved more than 800 participants, including personnel from all branches of the CAF, a ship from the Royal Danish Navy, a surveillance aircraft from the United States Navy, as well as numerous federal, territorial and regional governments. Operation NANOOK 14 promoted interoperability with other government departments, international partners, and local authorities to increase northern safety and security.
- Operation QIMMIQ took place throughout the year. During the summer, HMCS *Shawinigan* and *Kingston* sailed Canadian Arctic waters and conducted surveillance and presence operations. The two ships sustained a presence of 50 days north of the 60th parallel. HMCS *Shawinigan* transited further north than any other ship in Royal Canadian Navy history, reaching the 80th parallel in the Kennedy Channel. With HMCS *Kingston* transiting the Victoria Strait, this deployment also marks the farthest west that any maritime coastal defence vessel has gone to date. In addition to aerial and naval patrols, the 1st Canadian Ranger Patrol Group conducted land patrols across the Canadian Arctic throughout the year.

For a list of current operations[20], please see the Defence website.

Sub-Sub-Program 1.1.3: Ongoing Defence Operations through NORAD

Ongoing Defence Operations through NORAD seek to provide for the defence of North America in combination with the United States through the North American Aerospace Defense Command (NORAD) in accordance with the North American Aerospace Defence agreement. This agreement provides co-ordinated bi-national delivery of both aerospace and maritime warning capabilities as well as related control capabilities to the Governments of Canada and the United States in order to protect against threats that may impact the North American continent. The aerospace warning and control capabilities applied through this Program typically detect, identify, monitor, track, deter, intercept, divert and neutralize manned or unmanned air-breathing vehicles that threaten air sovereignty. They also detect and monitor airborne and maritime vessels that are suspected of illegal drug trafficking and human trafficking/illegal immigrants, and relay information to civilian law enforcement agencies. The maritime warning capabilities applied through this Program provide shared awareness and a mutual understanding of activity within maritime approaches, marine areas, and inland waterways that are in the jurisdictions of Canada and the United States. This Program is conducted within the framework of the North Atlantic Treaty and therefore is also a key aspect of trans-Atlantic security and defence.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
81,686,154	91,037,585	9,351,431

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	650	641	(9)
Civilian	1	1	0
TOTAL	651	642	(9)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
NORAD Defence capabilities reduce the risk of threats to Canada's security and sovereignty	% of Canadian obligations/commitment that have been met in accordance with bi-national agreements and plans	90 - 100%	100%

Performance Analysis and Lessons Learned

Program performance was assessed against the goal of meeting 90 percent of Canadian obligations and/or commitments in accordance with bi-national agreements and plans. As a strong and reliable defence partner, Defence successfully met 100 percent of its obligations. The Canadian Armed Forces continued to successfully employ forces to support the NORAD mission of aerospace warning, aerospace control, and maritime warning in the defence of North America.

FY 2014-15 highlights include:

- In the performance of aerospace missions, including Operation NOBLE EAGLE and Northern Sovereign Operations, Defence defended approaches to North America over Canadian airspace and safeguarded key national terrain by employing a combination of armed fighters, aerial refueling, Airborne Warning and Control System surveillance platforms, and ground-based Air Defense Sector surveillance detection capabilities. The Canadian NORAD Region was regularly exercised, with the Royal Canadian Mounted Police, Public Safety Canada, Transport Canada and the Canadian Joint Operations Command through Exercises VIGILANT SHIELD, and ARDENT SENTRY and various small training events. For information on NORAD training see Sub-Sub-Program 3.2.6: International and Domestic Interoperability Training.
- In the past year, the Canadian NORAD Region successfully scrambled for Real World aerospace control missions and had flown successful Operation NOBLE EAGLE intercepts. Detect, scramble, and intercept operations demonstrated our ability and intent to defend the northern approaches of Canada and the U.S. and contributed to our strategic deterrence of aerospace threats to North America.
- NORAD conducts its maritime warning mission on a global scale through an extensive network of information sharing on potential maritime threats to the U.S. and Canada. NORAD's execution of this mission still continues to mature.
- To address NORAD's ability to deter, detect and defeat current and emerging threats, the Chairman of the Joint Chiefs of Staff and Canada's Chief of the Defence Staff directed in June 2013, that a NORAD Strategic Review be conducted. The review was completed in December 2014 and offered a candid assessment of the state of NORAD and identified specific areas requiring attention for NORAD to evolve to meet emerging threats. It was researched and written in collaboration with many stakeholders.

Sub-Sub-Program 1.1.4: Ongoing Continental Defence Operations in Cooperation with the United States

Ongoing Continental Defence Operations in Cooperation with the United States aim to protect Canada and North America in accordance with agreements with the United States, and Central and South American nations where applicable, that are outside the purview of North American Aerospace Defense Command (NORAD). Results are achieved through the employment of forces with the requisite military capabilities to conduct daily continental operations where threats along air, land and sea approaches to Canadian territory are detected, identified, monitored, tracked, deterred, intercepted, diverted and neutralized, as required. This Program includes participation in the US-led Joint Interagency Task Force (South) as well as the employment of military capabilities in support to the United States in accordance with requirements and emergency/contingency plans established though bi-lateral agreements. Results may sometimes also be achieved through application of military capabilities in co-ordination with South American and Caribbean nations.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
75,210,521	31,148,039	(44,062,482)

Note: The difference is primarily due to the overestimation of planned spending in this Sub-Sub-Program.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	397	384	(13)
Civilian	4	0	(4)
TOTAL	401	384	(17)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence capabilities applied in cooperation with continental partners reduce the risks to Canada and uphold the interests of the Canadian government	% of Commander's Intent (Operational Objectives) that have been met	90 - 100%	100%
	% of Stated Operational Effects achieved	90 - 100%	100%
	% assigned critical tasks completed	90 - 100%	100%

Performance Analysis and Lessons Learned

Program performance was assessed against the goal of achieving 90 percent of operational objectives, effects and assigned critical tasks. The defence of North America is integral to the protection of Canada. By working with Canada's closest ally, the United States, Defence successfully achieved 100 percent of operational objectives, effects, and assigned critical tasks contributing to the defence of the continent. Defence and security relations between the two countries are longstanding and well-entrenched, contributing to one of the closest bilateral defence relationships in the world.

Defence continued to employ forces to conduct continental operations, including through Canada-United States agreements, to monitor, track and intercept along air, land and sea approaches to Canadian territory.

Highlights for FY 2014-15 include:

- Operation CARIBBE[21] highlights Canada's dedication to supporting Joint Interagency Task Force (South) in combating transnational criminal organizations and maintaining stability in the Americas. Since November 2006, the Canadian Armed Forces have remained committed to working with Western Hemisphere and European partners to interdict illegal maritime and air traffic in the Gulf of Mexico, the Caribbean Sea, and Eastern Pacific and Western Atlantic Oceans.
- Ten Royal Canadian Navy ships and four Royal Canadian Air Force Canadian Patrol Aircraft (CP-140) deployed on Operation CARIBBE and assisted in the disruption and seizure of 9,997 kg of cocaine and 544 kg of marijuana. Notable achievements include:
  - HMCS *Whitehorse*, in company with USS GARY, each with embarked United States Coast Guard Law Enforcement Detachments, assisted in recovering 5,284 kg of cocaine from a small freighter sized vessel in the Eastern Pacific Ocean. This was the largest recovery in 2015. An additional interdiction of 600 kg of cocaine amounts to a total interception of 5,884 kg for this team.
  - Through a diplomatic note process, two CP-140 aircraft conducted overflights of Costa Rica from the Eastern Pacific Ocean to the Western Caribbean Sea and back, in order to track high priority event cases. During this time, one CP-140 was also able to track and report on a "go-fast" boat with 1,600 kg of cocaine onboard.

Sub-Program 1.2: International Combat Operations

International Combat Operations aim to achieve timely strategic effects in support of Canada's national interests and in accordance with Canadian values, as directed by the Government of Canada through the delivery of military power outside of the domestic or continental setting, typically in response to armed aggression or the potential for armed aggression. Results are achieved through the application of Defence capabilities, in concert with national and international partners, within the context of military operations across the globe. Typically the military operations under this Program are conducted to enhance global peace and security, counter international terrorism, assist failing states, or defuse intra- and interstate conflicts that may threaten Canada's national security interests. These operations are usually delivered in the context of: a United Nations (UN) resolution; Canada's membership in the North Atlantic Treaty Organization (NATO); or other international agreements. Some of the operations conducted under this Program are considered routine while other operations occur on a contingency basis. Routine operations occur on an ongoing basis whereas contingency operations may be planned for but occur only in response to a particular event or upon specific request from the Government of Canada. Therefore not all of the sub-programs under this Program may contain significant operations every fiscal year. This Program is bound by several federal laws, regulations, policies, and international conventions, agreements and laws, like the Law of Armed Conflicts, that pertain to the conduct military forces in armed conflict.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
286,537,020	173,172,331	(113,364,689)

Note: The difference is due in part to variances explained under sub-sub-programs 1.2.1: International Operations over Extended Periods and 1.2.3: Ongoing Defence Operations through Standing NATO Commitments.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1,179	1,173	(6)
Civilian	14	5	(9)
TOTAL	1,193	1,178	(15)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The application of Defence capabilities against armed threats outside of North America advance the interests of the Canadian Government	% of International Combat Operations that successfully achieve their operational objectives against risks from armed threats	90 - 100%	99%

Performance Analysis and Lessons Learned

The *International Combat Operations* Program's performance was assessed against the goal of 90 percent of operations successfully achieving operational objectives against risks from armed threats. 99 percent of international combat operations met their objectives. Defence continued to meet personnel requirements to support United Nations, NATO, and independent missions, apply defence capabilities against armed threats outside of North America, and advance the interests of the Government of Canada.

Details regarding international operations are reported under the sub-sub-programs below. International missions are further highlighted on the Operations[22] page of the Defence website.

For more information on the Incremental Costs for Major Canadian Armed Forces (CAF) International Operations[23], see the Defence website.

Sub-Sub-Program 1.2.1: International Operations over Extended Periods

International Operations over Extended Periods aim to meet expectations agreed upon by the Canadian Government and foreign partners, which include allied nations, alliance organizations and the United Nations. Results are achieved through the application of Defence capabilities by force elements outside of the domestic or continental setting. The force elements that achieve this Program's results are organized into portfolios according to the environments in which they operate – the most fundamental of which are the maritime, land and aerospace environments. There are also force elements that operate across these domains which include joint, common and special force elements. The operations conducted under this Program occur over extended periods during which time certain force elements from across the portfolio are tailored, delivered and sustained within a forum that typically also includes force elements provided by international partners. Examples of past operations conducted as part of this Program are those conducted in Afghanistan and Bosnia.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
210,801,459	130,050,831	(80,750,628)

Note: The difference is primarily due to the overestimation of planned spending in this Sub-Sub-Program.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	710	798	88
Civilian	10	0	(10)
TOTAL	720	798	78

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The application of Defence capabilities against armed threats outside of North America over extended periods advance the interests of the Canadian Government	% of Commander's Intent (Operational Objectives) that have been met	90 - 100%	98%
	% of Stated Operational Effects achieved	90 - 100%	100%
	% assigned critical tasks completed	90 - 100%	98%

Performance Analysis and Lessons Learned

Program performance was assessed against the goal of achieving 90 percent of operational objectives, effects, and assigned critical tasks. Defence successfully met expectations in the conduct of integrated global operations in concert with national and international partners to achieve timely and decisive effects in support of Canada's national interests as directed by the Government of Canada. Defence met personnel requirements to support United Nations, NATO, and independent missions for all but two missions. Operation GLADIUS, Canada's mission to the United Nations Disengagement Observer Force, was zero manned due to Force Protection concerns. Operation SATURN, Canada's mission to UNAMID, was zero manned due to constraints imposed by the Government of Sudan that prevented personnel deployment.

The FY 2014-15 highlights include:

- Operation IMPACT[24] is the CAF support to the Middle East Stabilization Force – the multinational military coalition against ISIS in the Republic of Iraq and in Syria. Approximately 600 CAF personnel were deployed as part of Joint Task Force-Iraq, which included: provision of planning and liaison personnel to work with the U.S. and other coalition partners; aircrew support elements; command and control; logistics; and an Air Task Force. In addition, 69 CAF special forces members were deployed to Iraq to advise and assist Iraqi security forces in

their fight against ISIS. The Air Task Force included six CF-188s, one CC-150T Polaris, and two CP-140 Auroras. The effects achieved included vehicles, weapons and artillery pieces; ISIS fighting positions; ammunition caches; staging areas; equipment; and improvised explosives device factories. Moreover, between 28 August and 26 September, Royal Canadian Air Force aircraft conducted 25 flights, delivering more than 1,600,000 pounds of military supplies donated by allied countries to Iraq.

- The Canadian Armed Forces sustained relevant forces to contribute to a number of global operations including Op ARTEMIS[25], Op CALUMET[26], Op KOBOLD[27], Op CROCODILE[28], Op SOPRANO[29], Op SNOWGOOSE[30], Op FOUNDATION[31], Op HAMLET[32], Op JADE[33], and Op PROTEUS[34].

Sub-Sub-Program 1.2.2: International Crisis and Surge Response Operations

International Crisis and Surge Response Operations aim to respond to immediate international crises with the potential for armed conflict through the delivery of Defence capabilities. As with the *International Operations over Extended Periods* Program, Defence capabilities are applied outside of the continent by this Program through the employment of force elements, as appropriate, from the maritime, land and aerospace environments and the joint, common and special force domains. However, the operations undertaken under this Program are expected to be of much shorter duration and often require what is called a surge response. These operations are typically undertaken at the request of the Canadian Government to meet particular expectations which are usually connected to the support of foreign partners which includes allied nations, alliance organizations and the United Nations. The recent operation in Libya is an example of an operation conducted as part of this Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
10,339,901	3,156,865	(7,183,036)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	47	60	13
Civilian	0	0	0
TOTAL	47	60	13

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The application of Defence capabilities against armed threats outside of North America in crisis and surge operations advance the interests of the Canadian Government	% of Commander's Intent (Operational Objectives) that have been met	90 - 100%	100%
	% of Stated Operational Effects achieved	90 - 100%	100%
	% assigned critical tasks completed	90 - 100%	100%

Performance Analysis and Lessons Learned

Program performance was assessed against the goal of achieving 90 percent of operational objectives, effects, and assigned critical tasks. Defence was successful in meeting program performance.

FY 2014-15 highlights include:

- In September 2014, deployment for Operation IMPACT began with an initial 30 day commitment. Canadian Special Forces members provided strategic and tactical advice to Iraqi forces before they commenced tactical operations against ISIS. The resources associated with these activities are reported under Sub-Sub-Program 1.2.1: International Operations over Extended Periods.

Sub-Sub-Program 1.2.3: Ongoing Defence Operations through Standing NATO Commitments

Ongoing Defence Operations through Standing NATO Commitments aim to provide for the ongoing defence of Canada and protect the interests of the Government of Canada through routine participation as an active member of the North Atlantic Treaty Organization (NATO). Results are achieved by representing Canadian interests in: defence policies and plans; military standards and doctrine, and best practices; fostering defence diplomacy and international defence relations; and providing Defence capabilities for ongoing operations. Specifically, Canadian interests in defence policy and planning matters are delivered through the Canadian Joint Delegation to NATO and through representation on the NATO Headquarters International Military Staff which facilitates the framing of NATO defence issues in ways commensurate with Canadian interests. Canada's representation on various NATO organizations also provides an avenue for development of defence policy advice within Canada as well as the progression of defence relations and opportunities to leverage capability development initiatives. A key aspect of this Program is the delivery of Canadian force elements to ongoing NATO operations and to NATO's response force (NRF) which provides rapid military response to emerging crisis as part of the NATO crisis response system. However, this Program does not include participation in extended or crisis response operations that are instead captured under the *International Operations Over Extended Periods* Program or the *International Crisis and Surge Response Operations* Program. This Program operates within the framework of the North Atlantic Treaty and the *National Defence Act*.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
65,395,660	39,964,635	(25,431,025)

Note: The difference is primarily due to where actual spending for military personnel engaged in Operation REASSURANCE is reported under sub-sub-programs 2.1.3: Non-Combatant Evacuation Operations and 3.2.6: International and Domestic – Interoperability Training.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	421	315	(106)
Civilian	4	5	1
TOTAL	425	320	(105)

Note: The FTEs for Operation REASSURANCE are reported under sub-sub-programs 2.1.3: Non-Combatant Evacuation Operations and 3.2.6: International and Domestic – Interoperability Training.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
International cooperation and active participation in the NATO community improve global peace and security	% of ongoing services provided through NATO where Canadian contributions are on track to successfully achieve objectives	90 - 100%	N/A

Note: The Program's performance indicator does not support measurement as written, due in part to the lack of a single repository of data and no mechanism to assess performance. Defence has since taken appropriate action to correct the issue and developed new metrics that will take effect in FY 2016-17.

Performance Analysis and Lessons Learned

As one of NATO's founding members, Canada has been, and remains, a leader in the Alliance. The Canadian Armed Forces contributes to NATO providing modern, deployable capabilities to allied missions and highly trained personnel to its command structure. Canada's priority is to ensure that the Alliance remains modern, flexible and agile to face the threats of today and tomorrow. This drives all our engagement at NATO, including our support of the Readiness Action Plan and our efforts on NATO's reform and partnerships agendas.

FY 2014-15 highlights include:

- In April 2014, NATO began to implement a series of military measures to reinforce NATO's collective defence in response to Russian aggression towards Ukraine. As part of Operation REASSURANCE[35] Canadian Armed Forces assets were offered in support of NATO assurance measures.
  - Air Task Force (ATF) Romania was stood up in May 2014 in Câmpia Turzii, Romania, and included six CF-188 Hornet fighter aircraft and 200 personnel. The ATF conducted interoperability training with NATO allies, including the Romanian Air Force, in the areas of air defence, air superiority, aerospace testing and evaluation, and tactical support. In September 2014, the ATF relocated to augment the Block 36 of the NATO-led Baltic Air Policing mission in Šiauliai, Lithuania. ATF Lithuania retained approximately 135 personnel, four CF-188 Hornet fighter jets, and a mission support element to preserve the integrity of the airspace of Estonia, Latvia and Lithuania, and to react to any intrusions.
  - At sea, HMCS *Regina*, *Toronto* and *Fredericton* took turns operating with NATO Standing Maritime Forces including such activities as surveillance and monitoring, regional defence and diplomatic engagement, and capacity building. HMCS *Fredericton* is the first modernized high-readiness frigate to deploy overseas in support of Government of Canada objectives.
  - 20 CAF operational planners reinforced the planning functions of the Supreme Headquarters Allied Powers Europe and its ability to monitor events in the region.
  - Canadian Army soldiers deployed to Eastern and Central Europe to take part in a variety of training events between May and December 2014. For details, see Sub-Sub-Program 3.2.6: International and Domestic - Interoperability Training.
- In May 2014, the Chief of the Defence Staff provided NATO international staff with a letter indicating CAF contributions to the NATO Response Force commitments out to 2017.
- The Department provided ongoing support to advance Canada's defence interests at NATO, including informed advice and support to the Chief of the Defence Staff and the Minister of National Defence for their participation at NATO meetings, in particular for the NATO Summit in September 2014. The Department further supported the participation of the Minister of National Defence and the Chief of the Defence Staff for their participation in meetings of NATO Defence Ministers and Chiefs of Defence. The Prime Minister of Canada, the Minister of National Defence and the Chief of the Defence Staff also participated in the NATO Summit in Wales from 4 to 5 September 2014. Departmental advice and support provided for these engagements enabled Canada to advance its interests in the taking of key Alliance decisions.

Sub-Program 1.3: Ongoing Centralized Operations and Operational Enablement

The *Ongoing Centralized Operations and Operational Enablement* Program ensures that programs delivering *Defence Combat and Support Operations* and delivering *Defence Services and Contributions to Government* have: clearly aligned operational objectives; a well-defined national command and communications structure; a balanced portfolio of resources and information; and access to the operational support capabilities, so that operations can be accomplished with an acceptable degree of risk. Results are achieved through the application of Defence capabilities that enable the delivery of strategic control, national command, diplomatic support, and provide operational support which includes the delivery of intelligence, surveillance and reconnaissance.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
741,815,072	856,746,069	114,930,998

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	2,617	2,556	(61)
Civilian	896	654	(242)
TOTAL	3,513	3,210	(303)

Note: Due to rounding, figures may not add up to total shown. The difference is due in part to the variance explained under Sub-Sub-Program 1.3.4: Military Diplomacy and Global Engagement.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Risks to the sustainment of force elements and optimal application of Defence capabilities are mitigated	% score on the Centralized Operations and Operational Enablement Evaluation Index	85 - 100%	95%

Performance Analysis and Lessons Learned

Defence continued to work to enhance capabilities within the key joint enablers of Joint Command and Control, Joint Intelligence, Surveillance and Reconnaissance, and Operational Support.

FY 2014-15 highlights include:

- Defence furthered the development of the capability to form a deployable Multinational Joint Integrated Task Force headquarters. Built on the framework of 1st Canadian Division headquarters, this initiative is linked to efforts underway to refine the Division's Support Plan to Contingency Plan JUPITER - the contingency plan for expeditionary operations that guides operational level force employment up to and including full spectrum operations.
- Defence continued to develop and refine force generation/force employment models for a deployable Joint Task Force headquarters and a Joint Task Force Support Component. Force employment models are to be created by mid-November 2015.

Sub-Sub-Program 1.3.1: Overarching Command and Control of Domestic and International Operations

Overarching Command and Control of Domestic and International Operations seek to ensure there is congruency between operational objectives and higher-level strategic goals associated with the defence of Canada, the protection of Canadian sovereignty, and the interests of the Canadian Government by providing overarching control functions to military operations. Results are achieved by providing the rules and constraints that control each operation; coordinating the provision and allocation of resources; engaging with operational-level partners and other stakeholders to ensure unity of action; and ensuring that structures and processes are in place to manage risk. The products and services provided by this Program sustain Defence by enabling the *Defence Combat and Support Operations* Program and the *Defence Services and Contributions to Government* Program to deliver military efforts.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
286,738,563	245,001,454	(41,737,109)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	858	779	(79)
Civilian	117	123	6
TOTAL	975	902	(73)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Command and control capability sufficient to achieve the strategic goals, outcomes and objectives is maintained and executed as required to conduct Defence Combat and Support Operations and deliver Defence services	% score on the Command and Control of Domestic and International Operations Evaluation Index	90 - 100%	94%

Performance Analysis and Lessons Learned

Through various **Arctic sovereignty** initiatives, Defence addressed the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians.**

FY 2014-15 highlights include:

- With multiple sources of strategic and operational guidance related to the North, and as the supported command for all Northern operations other than aerospace defence, Defence's Canadian Joint Operations Command (CJOC) initiated an iterative planning process to develop and maintain a five-year plan for the North in order to better synchronize the activities of the Canadian Armed Forces (CAF) and the collaboration with other government departments and the international community. In February 2015, CJOC released its annual update of the *Plan for the North*. This plan serves as overarching guidance for CAF activities in the North and links those activities to the activities and initiatives of domestic and international strategic partners.
- As part of the *Plan for the North*, a horizon 1 campaign plan was developed. This plan enhances Joint Task Force North's ability to command and support joint operations in its Area of Responsibility, near term options surveillance, all domain awareness, situational awareness to anticipate potential incidents, the range of CAF capabilities, and the ways in which expertise in northern operations and support can be developed.
- Defence worked collaboratively with other government departments and agencies on tasks identified in the *Northern Employment and Support Plan*. These activities included providing maritime support to:
  - Environment Canada in the first ever Wildlife Patrol in Northern Marine Protected Areas and to deploy ocean data acquisition buoys in Davis Strait located in the northern arm of the Labrador Sea;
  - Parks Canada's vessels in the search for the Franklin expedition; and
  - Canadian Hydrographic Services in the vicinity of Pond Inlet as part of their efforts to map the Arctic.
- In further support for the tasks identified in the *Northern Employment and Support Plan*, the Royal Canadian Air Force (RCAF) continued the development of two air expeditionary wings and a number of expeditionary capability enabling initiatives.
- In 2014, the Canadian Army (CA) stood up the Arctic Training Centre which provides the CAF with access to a state-of-the-art training facility capable of supporting individual and collective arctic and cold weather training with enough equipment and communication infrastructure to serve as a forward operating base if required. The facility also contributes to scientific research. The facility is able to accommodate up to 140 personnel. The first operating season began in January 2014 with the delivery of arctic-related courses for

the CA and the RCAF. Exercise SABRE GLACE[36], Operation NUNALIVUT[37] and Operation NANOOK[38] were also staged from Canadian Armed Forces Arctic Training Centre.

To successfully achieve the Program's expected results:

- Defence continued to advance refinements of the consolidation of CJOC, including the internal reorganization of the headquarters and alignment of the division of tasks related to Operational Support from tactical through operational to strategic levels.
- Defence continued to seek to refine expeditionary command and control models through the continued improvement of contingency plan Jupiter. CONPLAN JUPITER will continue to be improved through JOINTEX, biennial activities and a keystone CAF posture and readiness activity to evaluate and confirm operational mission readiness. As an opportunity exists to practice real command of joint and combined forces, JOINTEX 15 will integrate NATO's Connected Force Initiative flagship exercise TRIDENT JUNCTURE 15. During this reporting period, CJOC has conducted planning activities related to CAF participation in JOINTEX 15 and TRIDENT JUNCTURE 15, including participation in planning conferences and exercise writing boards.
- Defence did not participate in the Interdepartmental Risk Assessment Working Group as originally planned as the group did not meet during the reporting period.

Sub-Sub-Program 1.3.2: Ongoing Defence Intelligence Operations

Ongoing Defence Intelligence Operations aim to increase security and situational awareness essential to Force protection. Results are achieved through surveys and analysis of the many dimensions of the current security environment. It identifies critical patterns, synthesizes trends, and from this information establishes potential impacts, risks and opportunities to inform the execution of ongoing and contingency operations conducted under the *Defence Combat and Support Operations* Program and the *Defence Services and Contributions to Government* Program. It also informs the delivery, or potential delivery, of Defence capabilities in the future. Results are achieved through the collection, storage, protection, collation, analysis, and dissemination of intelligence information. These activities are enabled, in part, by collaboration and liaison with national and international partners. Besides supporting each military operation directly, the products and services provided by this Program sustain Defence by directly enabling the *Overarching Control of Domestic and International Operations* Program and the *Operational Readiness Production Coordination and Control* Program, and the *Defence Capability Development and Research* Program. This Program is primarily focused on National Defence but also supports Federal Departments/Agencies and international partners.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
178,674,901	202,465,779	23,790,878

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1,207	1,235	28
Civilian	361	243	(118)
TOTAL	1,568	1,478	(90)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence Intelligence clients, both civilian and military achieve information superiority	Number of reports produced	>5,000 reports	5,200

Performance Analysis and Lessons Learned

Defence maintained the appropriate capabilities to ensure situational awareness of activities, operations, and events relevant to Government of Canada national security and CAF operational requirements.

During the reporting period, Defence produced over 5,000 reports consisting of products posted to a central Defence classified website, available for use by domestic and international audiences, which disseminates reports produced by Defence organizations with intelligence staff. Reports were published in a variety of formats, with a range of focuses and covered a variety of timeframes. Tailoring defence intelligence reports in this manner ensured that the Department's defence intelligence community provided credible, timely, and integrated analysis of defence intelligence issues. Reports served not only Defence, but other government departments, and international allies, thereby enabling decision-makers to achieve information superiority concerning the security environment.

Canadian Forces Intelligence Command continued to lead departmental efforts to streamline defence intelligence activities by implementing processes designed to improve performance and realize efficiencies. These processes worked to establish a list of countries of interest to the defence intelligence community; capture the intelligence requirements for each country; and outline the resources being applied against each requirement. Together these processes work to ensure that decision-makers receive the intelligence support they require, while enabling the judicious employment of finite resources.

Sub-Sub-Program 1.3.3: Operational Support Services

Operational Support Services aim to provide operational support services for the conduct of military operations. Results are achieved through the deployment and sustainment of forces to distant areas in response to domestic, continental and international operations. Operational support is provided to deployed force elements within a theatre of operations. This Program delivers Defence services such as Surveillance from Space and the provision of Cyber defence. Included in the Support Services is the establishment of Lines of Communications for facilitating coordination of procurement and delivery of a wide variety of materiel, personnel and information services that directly support the deployment and sustainment of military forces and the maintenance of Defence capabilities during military operations. *Operational Support Services* directly supports Defence.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
92,314,982	73,747,206	(18,567,776)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	298	274	(24)
Civilian	160	85	(75)
TOTAL	458	359	(99)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence operational support services are delivered to project and sustain military forces globally	% of the time Operational Readiness was declared as planned by deployed Commanders	90 - 100%	100%
	% time deployed camp facilities (bed-down of forces), logistics and administrative services, health services, personnel support services, communications services, contracts, multinational and host nation support arrangements, etc. are established in theatres of operation as initially planned	90 - 100%	85%

Performance Analysis and Lessons Learned

From the earliest planning stages through to completion and mission closure, military operations of all kinds depend on a complex web of support activities for their success. Operational support provides task forces with the administrative, logistic, personnel support, and specialist services required to ensure effectiveness throughout their tour of duty.

The CAF participated in 35 missions throughout the year. All missions were declared operationally ready as planned. Operational support services were established in theatre as initially planned 85 percent of the time. Exercise MAPLE RESOLVE[39] was assessed below the performance target, resulting in minimal impact to readiness posture established through exercises, as a Table of Organization and Equipment (TO&E) was not fully sourced or filled. A TO&E is a document that prescribes the wartime mission, capabilities, organizational structure, and mission essential personnel and equipment requirements for military units.

Defence advanced the following initiatives to support Program Expected Results:

- Work continues to operationally engage partners and allies to situate Operational Support Hubs that can offer flexibility and cost-efficient ways to launch and sustain international operations and respond to crises, such as natural disasters, in a timely manner. Operational Support Hubs[40] (OSH) are a series of pre-negotiated arrangements with other countries and service providers in those countries to facilitate the movement of people, materiel, equipment, and supplies in far-reaching locations.
- To support Defence operations in the North, a directive was issued in August 2014 to guide development of Northern Operations Hub (NOH) Iqaluit. A Northern High Readiness Kit was purchased and prepared for rapid deployment. The Kit is a mobile warehouse designed to support personnel and equipment when units are deployed under conditions where normal support facilities are not available. Defence continued ongoing work to both identify potential capability gaps and to validate the NOH concept. Lessons learned from the establishment of NOH Iqaluit will inform the development of the NOH Network Master Implementation Plan.
- Defence continues to develop a comprehensive program to ensure coherence with allies and enable CAF operations within the cyber environment, as well as staged growth (military and civilian) of the Cyber Force and a number of capital projects.
- Canada continues to work closely with allies through a variety of forums to collect and share best practices and lessons learned and sustain international cyber engagements, particularly with 5-Eyes partners and NATO.
- Australia, Canada, the United Kingdom, and the United States furthered their defence cooperation by establishing a partnership on combined space operations. This combined space operations partnership among our armed forces enables sharing of space-related information and resources to synchronize space operations and to provide enhanced awareness of the space environment. In particular, it will allow for more effective and coordinated use of their space capabilities through cooperation on activities such as identifying and understanding what objects are in space, ensuring uninterrupted satellite operations, and avoiding satellite collisions. Such activities will make a significant contribution towards a safer and more secure space environment while also enhancing mutual security. The partnership demonstrates the continued dedication and strong commitment of the partners to encouraging the responsible and peaceful use of space for all.

For more information on support to operations[41], please see the Defence website.

Sub-Sub-Program 1.3.4: Military Diplomacy and Global Engagement

The *Military Diplomacy and Global Engagement* Program aims to achieve greater interoperability and enhanced delivery of Defence capabilities during on-going, contingency and potential operations in the future in order to support the defence of Canada and Canadian Interests. Results are achieved through the establishment of new bi-national and multinational relations and the strengthening of existing key defence partnerships. This is accomplished through assistance to foreign partners in the form of military training, participation in international fora, the establishment of formal arrangements, the sharing of expertise and operational cooperation. The *Military Diplomacy and Global Engagement* Program also delivers support to Federal Departments and Agencies, foreign governments, international organizations and alliances.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
184,086,627	335,531,631	151,445,005

Note: The planned spending for FY 2014-15 was based on FY 2012-13 actual spending which did not include the global engagement training activities performed by the Royal Canadian Air Force. From FY 2013-14 and onwards, those activities were separated from Sub-Sub-Program 4.1.6: Military Personnel - Occupational Training and are now reported under Sub-Sub-Program 1.3.4: Military Diplomacy and Global Engagement.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	254	268	14
Civilian	258	202	(56)
TOTAL	512	470	(42)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence maintains itself as a reliable partner with allies and like-minded countries in enhancing international peace and security	% of countries globally that report favourably towards Canada's Defence Engagement initiatives	90 - 100%	N/A*

* Note: The Program's performance indicator does not support measurement on the Global Engagement Strategy (GES), as there is no mechanism to assess partner country satisfaction. This issue was addressed during the 2014-2015 GES review, during which more appropriate performance measurements were considered. Defence has since taken appropriate action to correct the issue and developed new metrics that align with direction in the GES. These new metrics will take effect in FY 2016-17.

Performance Analysis and Lessons Learned

In support of operational excellence both at home and abroad, Defence works continuously to nurture and deepen existing partnerships, as well as to create new ones. These relations strengthen international and regional security while providing support to continental, NATO and UN led-missions, and enhancing Defence diplomacy activity.

FY 2014-15 highlights include:

- The Canadian Joint Operations Command coordinated 117 global engagements with the majority of engagements in the Middle East, primarily in support of Operation IMPACT. More than 90 percent of these engagements included the established planning process, briefing of the principal and synchronization with the Strategic Joint Staff. All included discussions related to yielding benefits in terms of operational reach, agility and interoperability for CAF deployed missions.
- Under Operation REASSURANCE, Defence continued to work with NATO Allies to enhance interoperability while showing resolve and solidarity against aggression. Canada is a strong supporter of NATO and is committed to doing its part as a member of the alliance.

- Defence continued to collaborate with its partner states in the Arctic, particularly through bilateral engagements and various multilateral dialogues. For example, from 26 to 28 August 2014, the annual Arctic Security Forces Roundtable[42] (ASFR) was held in Sortland, Norway. Participants included the defence staffs from seven Arctic states and three observer nations. The ASFR is a collaborative forum designed to promote regional understanding, dialogue and cooperation among arctic states, enhancing the ability for participating nations to adapt to the changing environment and emerging missions. Canada has participated in the ASFR since 2011. While past iterations of the meeting focused on working groups with a variety of subjects in the safety and security realm, this year placed an emphasis on search and rescue capacities in the Arctic. The annual conference of the Northern Chiefs of Defence Staff, originally planned to be hosted by Iceland, was postponed outside of the reporting period.
- The NATO Flying Training in Canada (NFTC) program continued to provide world-class pilot training that will prepare military pilots for air operations. Success of the program is measured by the on-time production of the contracted number of CAF and foreign pilots who achieve the required skill sets to progress to operational aircraft. For FY 2014-15, the NFTC program had a total of 198 student starts, of which 38 were foreign students.
- Collaboration with NATO and the Allies continued on implementation of the Operations Logistics Chain Management concept, NATO's future operational logistics concept. Together with the Department of Foreign Affairs, Trade and Development Canada, Defence participated in non-combatant evacuation operation coordination group venues in order to enhance international cooperation and exchange best practices with like-minded nations. Further, Defence conducted collaborative planning with allies to enhance interoperability, exchange best practices, and work toward defusing or reducing international tensions.
- Global engagement work continued through the CANUS Integrated Force Initiative and NATO adaptation, training, and interoperability initiatives. The CAF worked with allies to enhance capabilities within the key joint enablers of Joint Command and Control, Joint Intelligence, Surveillance and Reconnaissance, and Operational Support, including ongoing development of the capability to form a Multinational Joint Integrated Task Force.
- Defence undertook a review of the Global Engagement Strategy to guide its international defence diplomacy activities and promote prioritization and coherence in resource allocation. Over time, the dividends of defence diplomacy directly enable the execution of the defence mandate and support broader Government of Canada national security and foreign and trade policy priorities. In the same time period, Defence developed guidance on implementation of the renewed Global Engagement Strategy for inclusion in the Directive for CAF Force Posture and Readiness. The Global Engagement Strategy guidance was later signed by the Deputy Minister and the Chief of the Defence Staff. Oversight mechanisms are being developed as part of Defence's Performance Management Framework.
- Defence continued to work with like-minded partners in the context of the Proliferation Security Initiative to strengthen the international community's resolve and capability to prevent the spread of weapons of mass destruction, including by hosting a capacity-building workshop for members of the Caribbean Community, with funding from the Global Partnership Program at the Department of Foreign Affairs, Trade and Development.
- The Military Training and Cooperation Program conducted over 100 engagement activities involving more than 1,000 military personnel from partner countries. In so doing, it allowed the Defence Team to establish and maintain bilateral relations in support of departmental priorities and CAF operational requirements.
- Following the endorsement of the second Canada-United Kingdom Joint Declaration of Intent by the Prime Ministers of Canada and of the United Kingdom of Great Britain and Northern Ireland, Canada and the UK engage in regular high-level dialogue under a framework for cooperation called the Partners in Defence Dialogue. This framework will continue to bring greater coherence to existing programs and initiatives, and will permit the consideration of new levels of cooperation and interoperability.

- A Franco-Canadian Defence Cooperation Council was established, through the signature by Defence Ministers of a Technical Arrangement, to put in place a framework for strengthened bilateral security and defence cooperation and strategic defence dialogue. Through its creation with France of the Council, Defence has delivered on one of the key defence-related lines of activity identified in the Canada-France Enhanced Cooperation Agenda, announced by Prime Minister Harper and President Hollande in June 2013.

Program 2.0: Defence Services and Contributions to Government

The *Defence Services and Contributions to Government* Program aims to support the delivery of Canadian Government safety and security initiatives and encourage recognition and pride in Canada and the Canadian military. This is accomplished through the provision of unique Defence services in support of other elements of Government or the Canadian public. To encourage and share pride and awareness of Canada's military heritage, contributions, and leadership, Defence provides unique services and opportunities for outreach, awareness, preservation and development. Defence unique services also include operations conducted to ensure or enhance the security, safety, stability and/or well-being of Canadians, or international populations in peril, in accordance with Canadian values and the interests of the Canadian Government, in situations where there may be a need to defend against armed threats but where this is not the primary focus. The operations are delivered through the employment of force elements to achieve a desired effect within specific contexts through execution of tasks according to understood concepts, doctrine and standards. The force elements delivered by Defence are organizational entities which are composed of members of the Canadian Armed Forces and in some cases personnel from the Department of National Defence. Force elements have different sizes and compositions according to the capabilities they must apply during an operation. Defence remains consistently ready to employ force elements under this Program however significant operations do not always occur every fiscal year.

2014-15 Budgetary Financial Resources (dollars)

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (actual minus planned)
407,959,810	407,959,811	438,816,642	497,418,597	89,458,786

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1,243	1,356	113
Civilian	299	263	(36)
TOTAL	1,542	1,619	77

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The application of Defence capabilities and services reduces the risk to the safety, security and prosperity of Canada, and to the stability of foreign populations	% of Defence Service Operations and Defence Services that successfully met their objectives	90 - 100%	100%

Performance Analysis and Lessons Learned

Activities within the *Defence Services and Contributions to Government* Program are detailed under each of the applicable sub-programs and sub-sub-programs.

Sub-Program 2.1: Disaster Relief and Humanitarian Operations

Disaster Relief and Humanitarian Operations aim to assist populations in distress in order to establish, re-establish or enhance the human safety and well-being through the use of military operations. Results are achieved through this Program by the employment of force elements with the requisite capabilities to minimize suffering, assist in recovery operations, facilitate synergies with other responding bodies, and conduct related support functions during natural disaster events, non-combat evacuation events, humanitarian emergencies, and other perilous situations as directed by the Government of Canada. Operations in this Program are bound by a number of federal and provincial laws, regulations, orders-in-council, federal policies, and international agreements.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
8,310,319	15,126,725	6,816,405

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	68	181	113
Civilian	1	1	0
TOTAL	69	182	113

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The application of Defence capabilities mitigates the risks and conditions imposed by disasters and humanitarian incidents that impose suffering for Canadians and foreign populations	% of Disaster Relief and Humanitarian Operations that successfully met their objectives	90 - 100%	100%

Performance Analysis and Lessons Learned

The Canadian Armed Forces responded to domestic emergencies in Manitoba and Ontario caused by flooding. Details regarding Operation LENTUS are reported under Sub-Sub-Program 2.1.1: Domestic and Continental Assistance and Response Operations.

The Canadian Armed Forces contributed to the Canadian whole-of-government contribution to fighting the Ebola outbreak in West Africa. Details regarding Operation SIRONA are reported under Sub-Sub-Program 2.1.2: International Humanitarian Assistance and Disaster Response Operations.

Sub-Sub-Program 2.1.1: Domestic and Continental Assistance and Response Operations

Domestic and Continental Assistance and Response Operations aim to reduce suffering and to improve the well-being of members of the civil society living in North America. Results are achieved through the delivery of force elements with the capabilities to conduct domestic disaster relief operations. This Program delivers unique Defence capabilities through modular and scalable responses to mitigate a wide range of crises, associated with disasters. Operations in this Program will only occur if Defence is tasked by the Government of Canada. Response activities may include Defence services such as strategic air and sealift, aviation support, medical aid, logistic and engineering support, or provision of security assistance. *Domestic and Continental Assistance and Response Operations* are provided directly to Federal Departments and Agencies, other levels of government and continental partners.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
6,278,742	7,004,868	726,126

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	63	64	1
Civilian	0	0	0
TOTAL	63	64	1

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence has supported organizations that are leading interventions to save lives, prevent or alleviate human suffering following a natural or man-made disaster in Canada or North America	% of Commander's Intent (Operational Objectives) that have been met	90 - 100%	100%
	% of Stated Operational Effects achieved	90 - 100%	100%
	% assigned critical tasks completed	90 - 100%	100%

Performance Analysis and Lessons Learned

As part of the *Canada First* Defence Strategy, the Canadian Armed Forces (CAF) provide critical assistance in support of civilian authorities during crises in Canada, whenever and wherever required. At all times Defence is in continuous liaison with Public Safety, the lead for federal emergency response, as well as with provincial and territorial authorities and other federal partners. When a major natural disaster overwhelms provincial and territorial response capacity, Operation LENTUS[43] is the CAF contingency plan that outlines the joint response to provide support. Under Operation LENTUS, the CAF intent is to have strategic effects in the affected location within 24 hours of receiving a request for assistance.

During FY 2014-15, Operation LENTUS fully achieved its stated operational objectives, operational effects, and assigned critical tasks.

- In July, the CAF provided assistance to the Province of Manitoba[44] following their declaration of a state of emergency due to flooding. This support equated to 500 CAF members working alongside provincial authorities and volunteers in tasks as simple but important as sandbag production, which was key to protecting property in affected areas. Four CH-146 helicopters out of Edmonton were also employed in this operation as well as a CP-140 aircraft for information, surveillance, and reconnaissance of the situation.
- On three other occasions, the CAF supported the Province of Ontario[45] in the assistance to communities in the James Bay region affected by flooding caused by ice jams during the spring season thaw. Between 7 and 8 May, the CAF, the Canadian Rangers, two CC-130 Hercules, and five Griffon aircraft successfully evacuated 90 people from Kashechewan and Fort Albany in northern Ontario. Between 10 and 12 May, 730 people were successfully evacuated from Kashechewan by military resources, and between 17 and 20 May, Canadian Rangers and two Hercules aircraft extracted 165 residents of the Attawapiskat First Nation.

While the CAF were not called upon to provide response or assistance to continental crises during the year, Canada continued to maintain its important bilateral framework with the United States. Known as the Canada-United States Civil Assistance Plan (CAP), it allows for scalable deployment of military personnel and assets from one nation to the other, upon request from one nation, to respond to a myriad of crises and events such as flooding, earthquakes, forest fires, and even the effects of a terrorist attack. CAP is another example of how the CAF can save lives, mitigate human suffering, and reduce damage to property.

Sub-Sub-Program 2.1.2: International Humanitarian Assistance and Disaster Response Operations

International Humanitarian Assistance and Disaster Response Operations aim to reduce suffering and to improve the well-being of members of the international civil society. Results are achieved through the delivery of force elements internationally with the capabilities to conduct disaster and humanitarian response operations in support of Government of Canada goals. This Program delivers unique Defence capabilities through modular and scalable responses tailored to address identified gaps in civilian humanitarian capacity. Operations in this Program will only occur if Defence is tasked by the Government of Canada. Response activities may include Defence services such as strategic air and sealift, aviation support, medical aid, logistic and engineering support, or provision of security assistance. *International Humanitarian Assistance and Disaster Response Operations* are provided directly to Federal Departments and Agencies and international partners.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
1,363,195	598,654	(764,541)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military	4	8	4
Civilians	1	1	0
TOTAL	5	9	4

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence supported nations outside Canada or North America to save lives, alleviate human suffering or mitigate property damage to critical infrastructure following a natural or human-made disaster	% of Commander's Intent (Operational Objectives) that have been met	90 - 100%	100%
	% of Stated Operational Effects achieved	90 - 100%	100%
	% assigned critical tasks completed	90 - 100%	100%

Performance Analysis and Lessons Learned

During FY 2014-15, Defence international humanitarian missions fully achieved stated operational objectives, operational effects and assigned critical tasks. In October 2014, the Canadian Armed Forces (CAF) provided strategic airlift (C-177) assistance to the United Kingdom (UK) to deploy personnel, vehicles and equipment from the UK to Sierra Leone as well as strategic airlift (C-130J) assistance to the Department of Foreign Affairs, Trade and Development and Public Health Agency of Canada to deliver urgently required Personal Protective Equipment (PPE) (128,000 face shields) to Sierra Leone in support of the international effort to fight Ebola. At the end of December 2014, the CAF commenced operations as personnel augmentation to efforts undertaken by the United Kingdom Ministry of Defence to combat the spread of the Ebola virus disease in Sierra Leone. The CAF maintained a deployment of up to 40 health care and support staff to Operation SIRONA, the military component of the Canadian whole-of-government contribution to fighting the Ebola outbreak in West Africa. Canadian military doctors, nurses, medics, and support staff worked alongside their UK military partners in the United Kingdom's Kerry Town Treatment Unit in Kerry Town, Sierra Leone, to treat local and international health care workers exposed to the disease until the governance of the treatment facility could be transferred to non-governmental organizations working in Sierra Leone. In addition, Defence Research Development Canada provided funding to a number of efforts headed by the Public Health Agency of Canada to advance the development of Ebola treatments, including two of the three antibodies on which Zmapp, the experimental drug treatment, is based.

While the Canadian Armed Forces were not called upon to provide disaster response abroad during FY 2014-15, under Contingency Plan RENAISSANCE it remained ready for rapid deployment in the event of a decision by the Government of Canada to respond to a request from another nation for help. The plan delivers a rapid CAF response that is flexible enough to make an immediate positive impact at the scene of the disaster, and to continue helping people as the situation develops. The Government of Canada's response to natural disasters abroad is coordinated by the Department of Foreign Affairs, Trade and Development Canada in close partnership with core departments and agencies, including the Department of National Defence and the Privy Council Office.

Sub-Sub-Program 2.1.3: Non-Combatant Evacuation Operations

Non-Combatant Evacuation Operations aim to contribute to the security of Canadian citizens abroad. Results are achieved through the delivery of force elements with the requisite capabilities to conduct operations where the primary focus is the evacuation of Canadian Entitled Personnel or other non-combatants from hostile or potentially hostile environments. Operations in this Program will only occur if Defence is tasked by the Government of Canada. *Non-Combatant Evacuation Operations* are provided directly to Federal Departments and Agencies and Canadian citizens.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
668,383	7,523,203	6,854,820

Note: The difference is due to an underestimation of planned spending in this Sub-Sub-Program. Actual spending represents expenditures for military personnel engaged in Operation REASSURANCE. Operation REASSURANCE activities were allocated to Sub-Sub-Program 1.2.3: Ongoing Defence Operations through Standing NATO Commitments and to Sub-Sub-Program 3.2.6: International and Domestic – Interoperability Training.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	-	109	109
Civilian	-	0	0
TOTAL	-	109	109

Note: Personnel were drawn from Ready Forces as required to provide Defence services under this Sub-Sub-Program. Actual human resources FTEs represent military personnel engaged in Operation REASSURANCE. Operation REASSURANCE activities were allocated to Sub-Sub-Program 1.2.3: Ongoing Defence Operations through Standing NATO Commitments and to Sub-Sub-Program 3.2.6: International and Domestic – Interoperability Training.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Canadian Armed Forces successfully evacuated Canadian Entitled Personnel or other non-combatants from an affected region such as a security crisis or natural disaster area	% of Commander's Intent (Operational Objectives) that have been met	90 - 100%	N/A
	% of Stated Operational Effects achieved	90 - 100%	N/A
	% assigned critical tasks completed	90 - 100%	N/A

Performance Analysis and Lessons Learned

No Non-Combatant Evacuation operations took place during FY 2014-15. However, as discussed in Sub-Sub-Program 1.3.4: Military Diplomacy and Global Engagement, Defence participated in non-combatant evacuation operation coordination group venues in order to enhance international cooperation and exchange best practices with like-minded nations.

Sub-Program 2.2: Defence Services for Canadian Safety and Security

Defence Services for Canadian Safety and Security seeks to support Canadian Safety and Security initiatives across Canada through the delivery of force elements with the requisite capabilities to conduct military operations. Results are achieved by responding to a wide variety of threats to the safety and security of Canadians as part of a larger government-wide effort or a focused intervention. Examples of responses include providing, support to major Canadian events, anti-terrorism and terrorism event response, Search and Rescue operations, operations performed in direct support of other Government Departments and Agencies, as well as, related partnership programs such as the *National Search and Rescue Program* and the *Canadian Safety and Security Program*. Significant operations may not occur in all subordinate Program areas every fiscal year as Defence only performs support operations when tasked by the Government of Canada.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
111,282,984	95,134,974	(16,148,010)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	591	613	22
Civilian	74	62	(12)
TOTAL	665	675	10

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The application of Defence capabilities enhances the capacity, increases the abilities, and reduces risks to the successful fulfillment of the mandates of other elements of government	% of Defence Services for Canadian Safety and Security that successfully met their objectives	90 - 100%	100%

Performance Analysis and Lessons Learned

Activities within the *Defence Services for Canadian Safety and Security* Program are detailed under each of the applicable sub-sub-programs.

Sub-Sub-Program 2.2.1: Counter Terrorism, Terrorism Event Response and Consequence Management Operations

Counter Terrorism, Terrorism Event Response and Consequence Management Operations aim to contribute to the protection of Canada, Canadians and Canadian interests from terrorist activity. Results are achieved through the conduct of counter terrorism operations both domestically and internationally. This Program delivers unique Defence capabilities to support the Government of Canada and is an integral part of Canada's Counter-terrorism Strategy. This Program ensures that Canada, through Defence, has the capability to prevent, pre-empt, disrupt, and, if not successful, prepare for and execute any deployment of Defence capability in response to terrorist activity at home or abroad. The breadth of Defence activities includes international areas of operation through various international and global engagements and domestic support to law enforcement. *Counter Terrorism, Terrorism Event Response and Consequence Management Operations* services are provided directly to Federal Departments and Agencies.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
-	-	-

Note: Since operations in this Program are rare and unexpected, no expenditures are forecasted.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	-	-	-
Civilian	-	-	-
TOTAL	-	-	-

Note: Personnel are drawn from Ready Forces as required to provide Defence services under this Program.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Canada, Canadian interests and the safety and security of Canadians at home and abroad are protected from terrorist threats and activities	% of Counter Terrorism, Terrorism Event Response and Consequence Management operations that successfully met their objectives	90 - 100%	100%

Performance Analysis and Lessons Learned

Threats faced by Canadians, domestically and internationally, have increased over the last few years. So too has the need for the Government of Canada to have the widest spectrum of possible options available to them to prevent, deter, prepare for, and if necessary, respond to any terrorist activity at home or abroad.

Program results are enabled through Special Operations readiness, sustainment, and capability development. Special Operations and its effects are achieved across the Defence Program Alignment Architecture.

Details regarding how Special Operations achieve and perform assigned tasks are classified.

Sub-Sub-Program 2.2.2: Assistance to Major Canadian Event Operations

Assistance to Major Canadian Event Operations aim to contribute to the Defence of Canada and the security of Canadian citizens through the provision of security and related support for major events. Results are achieved through the maintenance of situational awareness and provision of naval, air, and land Defence capabilities. Operations in this Program will only occur if Defence is tasked by the Government of Canada. *Assistance to Major Canadian Event Operations* services are provided directly to Federal Departments and Agencies and other levels of Government.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
269,006	38,600	(230,406)

Note: Actual spending represents payments for military personnel activities that took place during the previous fiscal year.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	-	-	-
Civilian	-	-	-
TOTAL	-	-	-

Note: Personnel are drawn from Ready Forces as required to provide Defence services under this Program.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence supported civilian authorities and other Government departments to ensure safety, security and defence of the nation and civilians during a major domestic event	% of Commander's Intent (Operational Objectives) that have been met	90 - 100%	N/A
	% of Stated Operational Effects achieved	90 - 100%	N/A
	% assigned critical tasks completed	90 - 100%	N/A

Performance Analysis and Lessons Learned

No Assistance to Major Canadian Event Operations took place in FY 2014-15.

Sub-Sub-Program 2.2.3: National Search and Rescue Program

The *National Search and Rescue Program* aims at continuously improving search and rescue services. Results are achieved by promoting collaboration and cooperation among federal, provincial and territorial organizations, and other stakeholders that provide search and rescue services, in order to achieve seamless search and rescue (SAR) services across Canada. This Program encompasses the services provided by the National Search and Rescue Secretariat. The role of the secretariat is to integrate the efforts of SAR partners. The *National Search and Rescue Program* services are provided directly to Federal Departments and Agencies, level of Governments, other partners from industry, academia, the volunteer community and not-for-profit organizations.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
9,992,710	3,698,381	(6,294,328)

Note: The difference is due to Search and Rescue New Initiatives Fund activities that were allocated to Sub-Sub-Program 2.2.4: Search and Rescue Operations.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1	0	(1)
Civilian	19	20	1
TOTAL	20	20	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
SAR partners deliver seamless search and rescue services in Canada	% of National Search and Rescue Program partners participating in National Search and Rescue programs	80 - 100%	89.3%

Performance Analysis and Lessons Learned

To support the National Search and Rescue Program's expected results, the National Search and Rescue Secretariat undertook the following activities during fiscal year 2014-15:

- Remained committed to ensuring the organization continues to work with its partners, through regular meetings of the Interdepartmental Committee on Search and Rescue, the Ground SAR Council of Canada, and Senior Officials Responsible for Emergency Management to ensure the continual improvement of Canadian Search and Rescue services;
- Prioritized its activities to focus on a National Prevention Strategy to ensure standardized prevention messaging across Canada;
- Successfully delivered and achieved the aim of its core outreach initiative (SARscene);
- Completed the implementation of the Search and Rescue Knowledge Management System to provide valuable information to SAR partners;
- Addressed the recommendations from the inaugural Quadrennial Search and Rescue Review[46] by:
  - delivering a functional data acquisition and management system;
  - increasing the scope and reach of AdventureSmart;
  - providing a draft strategy endorsed by the Ground SAR Council of Canada;
  - establishing, by authorization of the Minister of National Defence, a contribution program for the sustainment of the SAR Volunteer Association of Canada; and
  - leveraging SARscene and the Search and Rescue New Initiatives Fund to focus on interoperability.
- Successfully represented Canada in the international SAR Distress Alerting System through COSPAS-SARSAT and actively engaged with international and national partners, as well as key departmental interests in the successful advancement of the MEOSAR program and in maintaining the existing LEOSAR satellite distress alerting system.

For more information, please see the National Search and Rescue Secretariat website[47].

Sub-Sub-Program 2.2.4: Search and Rescue Operations

Search and Rescue Operations seek to provide assistance and safety to persons in distress. Results are achieved by delivering force elements with the requisite capabilities to provide aeronautical and maritime search and rescue (SAR) response operations within the Canadian Federal Area of Responsibility. This Program delivers the aeronautical and maritime SAR system which presently includes the several Joint Rescue Coordination Centres and other SAR facilities in conjunction with the Canadian Coast Guard. *Search and Rescue Operations* services are provided directly to Federal Departments and Agencies, other levels of Government and the General Public.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
74,069,376	64,046,129	(10,023,247)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	565	590	25
Civilian	14	5	(9)
TOTAL	579	595	16

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Successful delivery of Search and Rescue (SAR) capabilities within Canadian federal area responsibility was achieved	% of coordinated maritime, aeronautical and joint response to SAR incidents that are deemed effective	90 - 100%	100%
	% of mandated SAR operations that are successfully executed	90 - 100%	100%
	% of critical tasks completed	90 - 100%	100%

Performance Analysis and Lessons Learned

Canada has one of the world's largest and most challenging areas of search and rescue responsibility. Canada's search and rescue area of responsibility covers 18 million square kilometres of land and sea, second largest only to Russia, and an area far greater than the size of continental Europe.

The primary SAR responsibility of CAF is the provision of aeronautical SAR and the coordination of the aeronautical and maritime SAR system. CAF resources may also assist in ground SAR efforts, medical evacuations, and other humanitarian incidents if asked and when available. CAF maintain a high standard of service in SAR operations: the response is always immediate, 24 hours per day, seven days per week.

2014-15 highlights include:

- The Canadian Armed Forces continued to demonstrate operational excellence in saving lives through search and rescue operations and effectively coordinated 8,109 incidents.
- In October 2014, a Russian container ship, the M/V *Simushir*, was adrift off Haida Gwaii. The SAR response to this complex incident was coordinated by the staff at the Joint Rescue Coordination Centre Victoria in Esquimalt, British Columbia. Members of the Canadian Armed Forces, Canadian Coast Guard, and others worked to ensure no lives were lost, there was no environmental damage, and the operation was carried out in a safe and professional manner. Numerous agencies at all levels of government and private industry were also involved, working behind the scenes to provide assistance that was invaluable in helping to make informed decisions.
- For a second year, the CAF trialed an adjustment of SAR response time to better align with the hours and days during which SAR incidents are most likely to occur. A study from April 2014 confirmed that the occurrence of SAR incidents occur most frequently in the summer months, on weekends, as well as in afternoons or evenings. The trial was first tested in the Trenton Search and Rescue Region (SRR) in 2013. The trial expanded to include the Victoria SRR in 2014. Year one and two of the trial produced positive results by aligning SAR Squadrons schedules with peak activity, enabling SAR personnel to respond quicker when the demand is greatest.
- In 2014-15, Defence completed several reviews of Search and Rescue activities. This includes a *RCAF Search and Rescue Posture Review* which examined the readiness of SAR units, an *Evaluation of The RCAF* Contribution to the SAR Program, which assessed the programs overall effectiveness and economy, and finally, follow-up to assess the progress on the Management Action Plans from the May 2009 Audit of the Fixed Wing Search and Rescue (FWSAR) Project which examined the processes in place for the acquisition of

the new aircraft. All of these reviews highlighted the need for the procurement of new aircraft and ground equipment, and examined concerns with personnel manning levels.

For information on Search and Rescue related exercises, see Sub-Sub-Program 3.2.5: Joint – Integration Training. For more information on Defence Search and Rescue operations[48], please see the Defence website.

Sub-Sub-Program 2.2.5: Defence Services to Other Government Departments and Agencies

Defence Services to other Government Departments and Agencies aims to support the missions of other Government Departments and Agencies with a law enforcement mandate. Results are achieved through the maintenance of situational awareness and provision of naval, air, and land Defence capabilities in support of other Departments and Agencies as well as provincial governments and other levels of government. Support operations include activities such as counteracting illegal immigration, weapon and explosive trafficking, counter drug operations, the control of drift netting and other forms of illegal, unregulated, and unreported fishing. This Program also includes Aid of the Civil Power Operations which responds to any situation where there is a disturbance of the peace that is beyond the capacity of the civil authorities to mitigate. *Defence Services to other Government Departments and Agencies* are provided directly to Federal Departments and Agencies, provincial governments and other levels of government.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
2,548,320	338,330	(2,209,990)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	23	23	0
Civilian	0	0	0
TOTAL	23	23	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence supported civilian authorities and other Government departments to ensure safety, security and defence of the nation and civilians during intervention of illegal activities	% of Commander's Intent (Operational Objectives) that have been met	90 - 100%	100%
	% of Stated Operational Effects achieved	90 - 100%	100%
	% assigned critical tasks completed	90 - 100%	100%

Performance Analysis and Lessons Learned

Eight missions were conducted during the year and successfully met operational objectives and effects and completed assigned critical tasks.

FY 2014-15 highlights include:

- Operation DRIFTNET[49] is a recurring Canadian Armed Forces operation conducted in support of Fisheries and Oceans Canada (DFO). It delivers Canada's participation in multinational efforts to control driftnetting and other forms of illegal, unregulated and unreported fishing in the North Pacific Ocean. In support of DFO, the Canadian Armed Forces deployed one CP-140 Aurora aircraft and crew from 407 Long Range

Patrol Squadron (Comox, British Columbia) to Hakodate airfield in Hokkaido Prefecture (Japan) from 11 May to 1 June 2014. They were supported by a Royal Canadian Air Force CC-177 Globemaster III aircraft to transport personnel and equipment. The mission resulted in the seizure of an illegal Chinese-registered vessel in possession of between 900 to 1,200 lbs of salmon and suspected of several domestic and international fishing violations. The CP-140 Aurora completed 11 patrols and flew a total of 108.1 hours. The detection of one High Seas Drift net vessel and two suspect vessels made this operation one of the most successful DRIFTNET deployments in many years.

- Operation SABOT[50] is a Royal Canadian Mounted Police marijuana-eradication program conducted annually with support from the Canadian Armed Forces. Between 18 August and 19 September 2014, the CAF worked with the RCMP in Quebec and Ontario to conduct patrols. In total, police seized and destroyed 26,043 marijuana plants from multiple illegal grow sites in Ontario and Quebec.
- Each winter, members of the Canadian Army deploy to Roger's Pass during Operation PALACI[51] as part of Parks Canada's avalanche-control program. From 24 November 2014 to 9 April 2015, two rotations of 17 members from the 1st Regiment, Royal Canadian Horse Artillery, based out of Shilo, Manitoba were deployed to maintain essential four-season commercial road and rail links between coastal British Columbia and the rest of Canada.
- In November 2014, representatives from the Defence Team participated in the sixth annual Halifax International Security Forum in Halifax, Nova Scotia. The three-day event brought together over 300 prominent defence and international security experts and practitioners from around the world to discuss ideas and share insights on important global defence and security challenges. Topics discussed included the security situation in Eastern and Central Europe, the ongoing instability in the Middle East, terrorism, and the security implications of energy and natural resources shortage, among many others.

Sub-Sub-Program 2.2.6: Canadian Safety and Security Program

The *Canadian Safety and Security Program* aims to enhance Canadian public safety and security. Results are achieved through the delivery of scientific research, technology, analysis and systems in the context of a partnership program instituted by the Federal Government. This Program provides for the identification of capability gaps and the development of potential solutions in order to enhance the collective capabilities of the Canadian Government and its partners to be resilient against global and domestic public safety and security threats. Gaps are identified through risk and vulnerability assessments in consultation with communities of practice, central agencies and entities that develop policy, deliver safety and security operations, and synthesize intelligence. The *Canadian Safety and Security Program* services are provided directly to Federal Departments and Agencies.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
24,403,573	27,013,534	2,609,961

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1	0	(1)
Civilians	42	38	(4)
TOTAL	43	38	(5)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Emergency management, counter terrorism and law enforcement safety and security procedures, policies, strategies and action plans are evidence-based and risk-informed	% score on the Exploitation of Advice and Knowledge Evaluation Index	80 - 100%	84%
Risk and capability based technology investments that are tested and operationalized support Canadian public safety and national security practitioners	% score on the Exploitation and Transition of Technology Evaluation Index	80 - 100%	84%
Canadian Public Safety and Security Practitioners and their institutions are equipped to engage in critical - physical and cyber - infrastructure and border related decision-making processes	% score on the Exploitation of Advice and Knowledge Evaluation Index	80 - 100%	86%

Performance Analysis and Lessons Learned

Performance for the Canadian Safety and Security Program (CSSP) was assessed against the goal of achieving 80 percent success against four internal project-level key indicators. Actual performance achieved was scope (82 percent), schedule (78 percent), budget (78 percent), and alignment (100 percent). The alignment of the CSSP to research and development priorities remains high due to strong engagement on priority setting with stakeholders in the public safety and security domains. The global emphasis of the program continues to focus the CSSP on science and technology investments that are aligned with priorities of the Canadian public safety and security communities and are balanced across the range of threats they face.

Highlights for the FY 2014-15 include:

- In September 2014, the Government of Canada and the Government of the Kingdom of Sweden signed a new arrangement[52] that will allow them to work together on science and technology projects surrounding public safety and security issues of mutual interest.
- The third Canada - U.S. Enhanced Resiliency Experiment (CAUSE III) consisted of experiments held over the course of November 2014. These experiments were based on two disaster scenarios – the first a Northeastern hurricane, and the second a wildfire in the Western Plains affecting Alberta, Saskatchewan, and Montana – and were conducted to strengthen cross-border coordination of emergency response efforts[53], including early identifications and warnings as well as us of new communication technology.

Canada employs a whole-of-government approach to continually assess and respond to security threats and hazards. Public Safety Canada spearheads this effort by coordinating the activities of federal departments and agencies, including the Department of National Defence, to protect Canadians and their communities, businesses and interests. The Canadian Armed Forces is continually adapting Force Protection measures to meet the demands of an evolving security environment. The safety and well-being of Defence personnel is a primary concern.

Sub-Program 2.3: Military Heritage and Outreach

The *Military Heritage and Outreach* Program aims to instil in the Canadian public a sense of pride by sharing Canada's military history and traditions, showcasing Canadian military expertise and values, and developing leadership and good citizenship in Canada's youth. Results are accomplished through the delivery of military awareness events, historical preservation and communication services, and youth training opportunities. This Program also contributes to a cohesive culture within the Canadian Armed Forces and the Department of National Defence and helps to build and promote the Canadian identity. The *Military Heritage and Outreach* Program is directed to the Canadian Armed Forces, the Canadian public and the international community.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
288,366,508	387,156,898	98,790,391

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	585	562	(23)
Civilian	224	200	(24)
TOTAL	809	762	(47)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Canadians are aware and can be proud of their military heritage and achievements	% of favourable perception in Canadian Armed Forces public impression questions index	85 - 100%	89%

Performance Analysis and Lessons Learned

Program performance was assessed based on a goal to achieve a favourable perception rating of 85 percent. A 2014 Tracking Study revealed 89 percent of Canadians have a positive impression of CAF personnel, 83 percent say they view the military as a source of pride and 80 percent believe the CAF is essential.

Throughout FY 2014-15, Defence celebrated Canada's military traditions and honoured the sacrifices of generations of Canadians by marking the centennial of the First World War, 75th anniversary of the Second World War, and by reflecting on the contributions made in Afghanistan (National Day of Honour).

Sub-Sub-Program 2.3.1: Military History, Heritage and Awareness

The *Military History, Heritage and Awareness* Program aims to increase awareness of the Canadian military history, heritage, roles, and contributions to Canada and Canadian identity. In addition, this Program serves to encourage interest in the Canadian military profession. Results are achieved through public information by preserving, interpreting, communicating, and showcasing Canada's military history, traditions, roles, contributions, professionalism, expertise, and values in a wide variety of venues. The *Military History, Heritage and Awareness* Program services are provided directly to the Canadian public and military personnel.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
55,484,296	78,388,306	22,904,011

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	419	413	(6)
Civilian	72	89	17
TOTAL	491	502	11

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Canadians and the global community are provided with the opportunity to continue appreciating the achievements of the Canadian military	Average audience size of direct outreach event	500,000 audience members (rolling 3 year average)	526,252
The Canadian Armed Forces (CAF) and Canada are well respected by the global community as a capable and competent military	The number of international and national invitations received by the CAF for participation in Military Skills Competition	9	9

Performance Analysis and Lessons Learned

Defence conducted initiatives to **support Government efforts for commemoration of important anniversaries** and meet the organizational priority **Ensuring Sustainable Operational Excellence Both at Home and Abroad for the Defence of Canada and the Protection of Canadians.**

Throughout FY 2014-15, Defence implemented Operation DISTINCTION - a series of commemorative events designed to honour Canada's proud military history, from forging an identity during the War of 1812 to the military excellence achieved during the Wars of the 20th Century and the unprecedented changes that have occurred during contemporary global endeavours. Commemorative events began in 2012 and will continue until 2020 across Canada and in key international locations.

Highlights from FY 2014-15 include:

- The 70th Anniversary of D-Day, 6 June 1944;
- The 100th Anniversary of the Princess Patricia's Canadian Light Infantry;
- The 100th Anniversary of the Royal 22e Régiment;
- On 25 July, CAF units tracing their heritage to militias formed during the War of 1812 participated in the commemoration of the Battle of Lundy's Lane in the Niagara Region. On 6 November, a ceremony was held at Parliament Hill for the unveiling of the National 1812 Monument;
- Amongst the many ceremonies executed to commemorate both the First and Second World Wars, the main effort was the expanded National Sentry Program launched at a ceremony on 4 August at the National War Memorial in Ottawa in conjunction with the commemoration of the start of the First World War. Under this program, sentries will stand guard at the Tomb of the Unknown Soldier between 0900 hrs and 1700 hrs daily from 9 April to 10 November until 2020;
- Prime Minister Stephen Harper designated 9 May 2014 as a National Day of Honour to commemorate Canada's mission in Afghanistan. Events in the National Capital Region served as the focal point for cross-Canada commemorative activities. Notable events to commemorate Canada's mission in Afghanistan included:
  - From 4 to 9 May, the Soldier On Afghanistan Relay was held where 18 members from Soldier On carried the last flag from Afghanistan in a specially built baton through communities between Trenton and Ottawa. The relay culminated on 9 May during the commemoration parade for the National Day of Honour;

- DND and the CAF participated in youth engagement efforts and national outreach by coordinating a Canadian Armed Forces speakers program. In total, 47 schools hosted a CAF Afghanistan veteran, directly reaching 8,400 young Canadians;
- On 9 May, the Afghanistan Commemoration Parade took place on Parliament Hill and included a Guard of Honour featuring all elements of the CAF, other government departments and veterans from all deployment rotations in Afghanistan; and
- Throughout 2014 and early 2015, the Afghanistan Memorial Vigil (AMV) was available for public viewing in cities across Canada as well as Washington, D.C. The AMV commemorates the fallen 158 CAF personnel, a Canadian diplomat, a DND contractor, a Canadian journalist, and 43 fallen United States Armed Forces members who served bravely under Canadian Command.

- In 2014, the RCN marked the Battle of Coronel on 1 November. This battle saw the first Canadian military casualties of the First World War, and the first ever casualties in the history of the RCN; and
- On Remembrance Day, the National War Memorial was rededicated to add the dates of the Afghanistan mission and the South African War.

Sub-Sub-Program 2.3.2: Youth Program

The *Youth Program* aims to enhance understanding of the Canadian Armed Forces and create an interest in the sea, land and air activities (both military and civilian) while preparing youth for their transition into adulthood through the development of attributes of leadership and community-minded citizenship, encouraging physical fitness, and promoting the traditional cultures and lifestyles reflective of the remote and isolated communities of Canada where some of the youth reside. The *Youth Program* is provided directly to Canadian youth and represents the largest federally-sponsored youth program in Canada. The *Youth Program* also has a direct impact on Canadian society as a whole, providing value in having well-rounded and experienced young citizens who are ready to assume their places as tomorrow's leaders and decision-makers. Cadet Instructors Cadre Officers, Military personnel and the Canadian Rangers are the main sources of instructors involved in providing training to the *Youth Program*.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
232,882,212	308,768,592	75,886,380

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	166	149	(17)
Civilian	152	111	(41)
TOTAL	318	260	(58)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Populations of Canadian youth have the personal attributes to become responsible members of their communities as they transition into adulthood	Average duration of membership in the program	3 years	1.8 years

Performance Analysis and Lessons Learned

On average, Canadian youth spend close to two years in the Program. Defence is seeking to undertake a study to gain a better understanding of the types of activities and factors that will encourage youth to join and stay in the Program.

As part of **implementing the Defence Renewal plan** and to meet the organizational priority **Ensuring Defence Affordability**, efforts continued to focus on streamlining leadership and management to deliver relevant, effective, and efficient Cadets[54] and Junior Canadian Rangers[55] programs.

During FY 2014-15, renewal of the Cadet and Junior Canadian Rangers Programmes initiatives made steady progress including:

- Restructuring to adopt a centralized command and control model;
- Implementing a new governance model for the Cadet Program;
- Initiating a Cadet Population Growth Strategy; and
- Embarking on a program costing exercise so resources can be directed appropriately and resources pressures and opportunities can be addressed with agility.

As a result, there has already been reinvestment back into front-line Cadet programs such as field training uniforms and increased fitness resources.

STRATEGIC OUTCOME 2: DEFENCE REMAINS CONTINUALLY PREPARED TO DELIVER NATIONAL DEFENCE AND DEFENCE SERVICES IN ALIGNMENT WITH CANADIAN INTERESTS AND VALUES

There are three Programs associated with this Strategic Outcome:

- Program 3.0: Defence Ready Force Element Production
- Program 4.0: Defence Capability Element Production
- Program 5.0: Defence Capability Development and Research

Program 3.0: Defence Ready Force Element Production

The *Defence Ready Force Element Production* Program produces and renews force elements on a continual basis for use in *Defence Combat and Support Operations*, as well as for the delivery of *Defence Services and Contributions to Government*, in order to increase the likelihood of success and decrease risk of failure in the defence of Canada and promotion of Canadian interests. Results are delivered by assembling force elements from the fundamental elements of Defence capability (i.e., military personnel, materiel and information systems, information, and, in some cases, real property), and integrating them through various training and certification programs so that they have the requisite amount of readiness in order to fulfill predefined roles within the operations for which they are destined. The term readiness refers to the volume, endurance, responsiveness and capability attributes of force elements that are not employed. These attributes are used to determine the degree of risk that would be associated with assigning them to fulfill perspective role(s) within on-going or contingency operations. The force elements produced by the *Defence Ready Force Element Production* Program are organized into portfolios according to the land, aerospace, and maritime environments in which they operate. There are also portfolios for force elements that operate jointly across these domains and force elements that provide common support functions. Across these portfolios, force elements are produced to meet readiness targets. These readiness targets ensure that production can be sustained over short- and medium-term time horizons and that the number of force elements available for employment in on-going and contingency operations is in accordance with acceptable levels of operational risk.

2014-15 Budgetary Financial Resources (dollars)

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (actual minus planned)
3,039,436,884	3,039,436,885	3,281,611,558	3,284,882,232	245,445,347

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	26,917	25,627	(1,290)
Civilian	1,547	1,457	(90)
TOTAL	28,464	27,084	(1,380)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
There exists a sufficient and balanced portfolio of operationally ready force elements that can participate in Defence Operations and deliver Defence services	% of time the roles required by force posture and readiness are filled appropriately	3/3 on a 3 point scale	3
	% of all force elements that are employed or filling readiness roles	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

In support of the organizational priority **Maintaining Required CAF Posture and Defence Readiness**, Defence and the Canadian Armed Forces successfully **assessed and monitored CAF force posture and defence readiness in regard to the domestic and international situation** and met all planned and emergent readiness levels during FY 2014-15.

Defence Ready Force Element Production Program achievements and performance analysis are detailed under each of the applicable sub-sub-programs.

Sub-Program 3.1: Force Elements Readiness Sustainment

The *Force Elements Readiness Sustainment* Program aims to sustain the readiness state of force elements that have been assigned to roles that require them to be ready for operations. The force elements produced by the Canadian Armed Forces are organized into portfolios according to the land, aerospace, and maritime environments in which they operate. There are also portfolios for force elements that operate jointly across these domains and force elements that provide common support functions. In each portfolio there are subsets of force elements that are in one of three states: assigned to roles that required them to be ready to respond to contingency operations; delivering Defence operations and services; or in a reduced state of readiness. This Program focuses on force elements in the first of these states. In some cases the existence of ready force elements can act as a deterrent against threats. Results are achieved through the provision of periodic training, exercises, validation activities, and related production services which ensure that force elements capabilities that have been assigned to roles in contingency operations do not degrade and that these force elements remain responsive to fulfill assigned roles when called upon. When contingency operations occur, and the force elements that reside within this Program are activated, their military capabilities are delivered via the *Defence Combat and Support Operations* Program or the *Defence Services and Contributions to Government* Program. Force elements participating in this Program may be returned to *Force Elements Integration Training* Program for short periods. They may also be moved to the *Force Elements Production* Program once they have exceeded the amount of time for which they have been assigned to a contingency role.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
737,917,354	891,429,399	153,512,045

Note: The difference is due in part to the variance explained under Sub-Sub-Programs 3.1.3: Aerospace Roles – Readiness Sustainment.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	9,080	8,695	(385)
Civilian	87	86	(1)
TOTAL	9,167	8,781	(386)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Force Elements assigned readiness roles remain continuously ready to apply Defence capabilities during operations against threats or to deliver Defence services	% of time the Defence force elements remain ready in accordance with force posture and readiness requirements	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

Activities within the *Force Elements Readiness Sustainment* Program are detailed under each of the applicable sub-sub-programs.

Sub-Sub-Program 3.1.1: Maritime Roles – Readiness Sustainment

The *Maritime Roles Readiness Sustainment* Program aims to sustain the readiness state of ships, submarines, and other force elements that operate in the maritime environment and have been assigned to roles requiring them to be ready for operations. The level of readiness attained by any force element in the maritime environment portfolio will decline over time. Those maritime units assigned roles such as "Ready Duty Ship" or "Composite Task Group" requiring a specific readiness state must take the appropriate action to maintain the necessary level of readiness. Results are provided through the conduct of periodic training, exercises, validation activities, and related production and maintenance activities which ensure that the capabilities attained by these force elements do not degrade and that they remain responsive to fulfill assigned roles when called upon. The products and services provided by this Program sustain Defence by directly enabling the delivery of maritime capabilities to the *Defence Combat and Support Operations* Program or the *Defence Services and Contributions to Government* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
250,796,854	255,133,007	4,336,154

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	2,883	2,798	(85)
Civilian	1	0	1
TOTAL	2,884	2,798	(86)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Force elements assigned maritime roles remain continuously ready to apply Defence capabilities during operations against threats or to deliver Defence services	% of time force posture and readiness roles are filled by ready maritime force elements	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

The Royal Canadian Navy (RCN) **implemented CDS direction for CAF force posture and defence readiness horizon 1 to address the organizational priority Maintaining Required CAF Posture and Defence Readiness.** The RCN generated and sustained highly effective maritime force elements capable of synchronizing effects across the full spectrum of operations in accordance with the 10-Year Fleet Plan. In light of the reduced fleet availability resulting

from the ongoing Halifax-class Modernization (HCM) programme and the early retirement of four major warships, the RCN has seized every opportunity to the fullest extent to ensure continued delivery of excellence in operations at sea.

Sub-Sub-Program 3.1.2: Land Roles – Readiness Sustainment

The *Land Roles Readiness Sustainment* Program aims to sustain the achieved readiness level of land environment force elements that have been assigned to roles requiring them to be ready for operations. The level of readiness attained by any force elements in the land environment portfolio will decline over time. Those land units assigned roles such as "Joint Task Force Western Domestic Support" or "Non-combatant Evacuation Operations Land Component" requiring a specific readiness state must take the appropriate action to maintain the necessary level of readiness. Results are achieved through the provision of continuation training and maintenance of vehicles and materiel to posture these forces on specific notice to move timing which ensures that the capabilities attained by these force elements do not degrade and that they remain responsive when called upon. When these force elements are activated, additional training may be required prior to being employed. The products and services provided by this Program sustain Defence by directly enabling the delivery of land capabilities to the *Defence Combat and Support Operations* Program or the *Defence Services and Contributions to Government* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
429,902,860	441,668,037	11,765,176

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	5,556	5,034	(522)
Civilian	72	59	(13)
TOTAL	5,628	5,093	(535)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Force elements assigned land roles remain continuously ready to apply Defence capabilities during operations against threats or to deliver Defence services	% of time force posture and readiness roles are filled by ready land force elements	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

The Canadian Army (CA) **implemented CDS direction for CAF force posture and defence readiness horizon 1** to address the organizational priority **Maintaining Required CAF Posture and Defence Readiness**. The CA generated and sustained responsive, adaptable and scalable land elements that are capable of synchronizing effects across the full spectrum of conflict. Resources were appropriately aligned to mitigate risk and to ensure that Commander of the Canadian Army was able to achieve all the Force Generation Tasks assigned through the CDS Force Posture and Readiness Directive. During FY 2014-15, the CA maintained readiness posture and deployed force elements in Canada (i.e. Operation LENTUS, Operation NANOOK) and overseas (i.e. Operation REASSURANCE).

Sub-Sub-Program 3.1.3: Aerospace Roles – Readiness Sustainment

The *Aerospace Roles Readiness Sustainment* Program aims to sustain the readiness state of fighters, helicopters and other force elements that operate in the aerospace environment and have been assigned to roles requiring them to be ready for operations. The level of readiness attained by any force elements in the aerospace environment portfolio will decline over time. Those aerospace units assigned roles such as "Air space control" or "Strategic Airlift" requiring a specific readiness state must take the appropriate action to maintain the necessary level of readiness. Results are provided by this Program through the conduct of periodic training, exercises, validation activities, and related production and maintenance activities which ensure that the capabilities attained by these force elements do not degrade and that they remain responsive to fulfill assigned roles when called upon. The products and services provided by this Program sustain Defence by directly enabling the delivery of aerospace capabilities to the *Defence Combat and Support Operations* Program or the *Defence Services and Contributions to Government* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
42,704,569	180,701,502	137,996,933

Note: The difference is primarily due to the underestimation of planned spending in this Program. The difference is also due to an increase in aerospace readiness activities. This increase is offset by a reduction in aerospace operational activities under Sub-Sub-Program 1.1.2: Ongoing Defence, Security and Sovereignty of Canada Operations.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	553	737	184
Civilian	0	27	27
TOTAL	553	764	211

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Force elements assigned aerospace roles remain continuously ready to apply Defence capabilities during operations against threats or to deliver Defence services	% of time aerospace force elements remain ready	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

The Royal Canadian Air Force (RCAF) **implemented CDS direction for CAF force posture and defence readiness horizon 1** to address the organizational priority **Maintaining Required CAF Posture and Defence Readiness.** The RCAF continued to re-balance its force posture and readiness (FP&R) to efficiently meet the CDS FP&R mandate and the CDS intent within the scope of available resources. The RCAF continued to effectively operate around the world in support of operations such as Operation IMPACT and Operation NANOOK.

Sub-Sub-Program 3.1.4: Special Operations Roles – Readiness Sustainment

The *Special Operations Roles Readiness Sustainment* Program aims to sustain the assigned readiness state of force elements that conduct special operations and have been assigned to roles that require them to be ready for operations on specific notice to move. Those special operations forces assigned roles such as "Immediate Response Task Force" or "Task Force Arrowhead" requiring a specific readiness state must take the appropriate action to maintain the necessary level of readiness. Results are achieved by this Program through a cyclical process that includes the provision of periodic training, exercises, provisioning, equipment maintenance and inspections which ensure that the capabilities attained by these force elements do not degrade and that they remain responsive to fulfill assigned roles when called upon. The products and services provided by this Program sustain Defence by directly enabling the *Defence Combat and Support Operations* Program or the *Defence Services and Contributions to Government* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
-	-	-

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	-	-	-
Civilian	-	-	-
TOTAL	-	-	-

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Force elements assigned special operations force roles remain continuously ready to apply Defence capabilities during operations against threats or to deliver Defence services	% of time force posture and readiness roles are filled by ready special operations force elements	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

Special Operations and its effects are achieved across the Defence Program Alignment Architecture. Details regarding how Special Operations achieves and performs its assigned tasks are classified.

Readiness and force generation results are achieved through Sub-Sub-Program 3.1.4 Special Operations Roles – Readiness Sustainment and 3.3.4 Special Operations – Force Element Production. Generally this is accomplished through a process that includes the provision of training, exercises, provisioning, equipment maintenance and inspections which ensure that the capabilities attained by these force elements do not degrade and that they remain responsive to fulfill assigned roles when called upon. Sub-sub-programs 3.1.4 Special Operations Roles – Readiness Sustainment and 3.3.4 Special Operations – Force Element Production are the areas whereby Special Operations sustainment activities are captured.

For additional information, please see the Defence Special Operations Forces[56] web page.

Sub-Sub-Program 3.1.5: Joint and Common Operations Roles – Readiness Sustainment

The *Joint and Common Roles Readiness Sustainment* Program aims to sustain the readiness state of joint and common force elements that have been assigned to roles requiring them to be ready for operations. Those joint and common forces elements assigned roles such as "Air Field Medical Station" or "Operational Liaison and Recce Team" (OLRT) requiring a specific readiness state must take the appropriate action to maintain the necessary level of readiness. Results are provided through the conduct of periodic training, exercises, and maintenance activities which ensure that the capabilities attained by these force elements do not degrade and that they remain responsive to fulfill assigned roles when called upon. The products and services provided by this Program sustain Defence by directly enabling the *Defence Combat and Support Operations* Program or the *Defence Services and Contributions to Government* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
14,513,071	13,926,853	(586,218)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	137	126	(11)
Civilian	14	1	(13)
TOTAL	151	127	(24)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Force elements assigned joint and common roles remain continuously ready to apply Defence capabilities during operations against threats or to deliver Defence services	% of time force posture and readiness roles are filled by ready joint and common force elements	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

To contribute to meeting the organizational priority **Maintaining Required CAF Posture and Defence Readiness**, Defence continued to **assess and monitor CAF force posture and defence readiness in regard to the domestic and international situation.** Specific to this Program, Defence worked to enhance capabilities within the key joint enablers of Joint Command and Control, Joint Intelligence, Surveillance and Reconnaissance, and Operational Support.

FY 2014-15 highlights include:

- Continued the development of the capability to form a deployable Multinational Joint Integrated Task Force headquarters, built on the framework of 1 Canadian Division headquarters, linked to Contingency Plan JUPITER - the contingency plan for sustained expeditionary operations that guides operational level force employment up to and including full spectrum operations.
- Furthered the development and refinement of force generation/force employment models for a deployable Joint Task Force Headquarters and a Joint Task Force Support Component.

Sub-Program 3.2: Force Elements Integration Training

The *Force Elements Integration Training* Program produces force elements with enhanced levels of interoperability with other force elements so that they can operate together, to achieve the collective objectives of a larger formation. The force elements received by this Program are organized into portfolios according to the land, aerospace and maritime environments in which they operate. There are also portfolios for force elements that operate jointly across these domains and force elements that provide common support functions. Results are achieved through the execution of training events in which force elements within the same portfolio exercise together for the explicit purpose of enhancing interoperability. Results are also achieved through training events where the explicit focus is interoperability between force elements in different portfolios. These are considered joint training events. International (combined) training events focus on the interoperability of force elements produced in Canada with those of allied nations. After partaking in this Program, force elements typically attain new or improved abilities to deliver a broader range of military effects during a defence operation and therefore this Program enables them to enhance their state of readiness. If the level of readiness attained through this Program is sufficient, then individual force elements may be assigned to fulfill a contingency role or they may be employed to deliver Defence operations or Defence services already in progress. They may also be delivered back to the *Defence Ready Force Element Production* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
406,835,719	469,427,526	62,591,807

Note: The difference is due in part to the variance explained under Sub-Sub-Program 3.2.6: International and Domestic – Interoperability Training.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	3,990	3,744	(246)
Civilian	129	33	(96)
TOTAL	4,119	3,777	(342)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Force elements have the ability to work in coordination with one another to achieve greater synergy and realize the enhanced capabilities of a larger collective formation during operations against threats or to deliver Defence services	% of force elements that have completed integration training to meet force posture and readiness requirements	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

Defence successfully completed integration training to meet force posture and readiness requirements.

Key joint training activities included Command and Control of Expeditionary Forces (Rim of the Pacific Exercise[57] (RIMPAC)), Command and Control of Domestic Forces within a Continental Framework (Exercise DETERMINED DRAGON[58]), and sovereignty in the north (OP NANOOK). For details, see Sub-Sub-Program 3.2.6 International and Domestic – Interoperability Training.

- The CAF continued to work through exercises to ensure optimal response in Search and Rescue situations, including challenging environments such as the North. For details, see Sub-Sub-Program 3.2.5 Joint – Integration Training.

For more information, see the Canadian Armed Forces National Exercises[59] webpage.

Sub-Sub-Program 3.2.1: Maritime Environment – Integration Training

The *Maritime Environment Integration Training* Program aims to increase the level of interoperability between force elements in the maritime portfolio so that they can operate together to achieve the collective objectives of a larger formation at reduced risk and with better chances for success. Results are achieved through the execution of training events like "TGEX". Naval task groups are common outputs of this Program; however, not every training event will produce a larger force element like a task group. This Program facilitates increases in readiness to deal with the complexities of modern warfare. After partaking in this Program, force elements in the maritime portfolio attain new or improved abilities to deliver a broader range of military effects during defence operations. This Program sustains Defence by enabling the *Maritime Roles Readiness Sustainment* Program but also by enabling the employment of maritime force elements within ongoing Defence operations or to deliver Defence services.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
19,178,047	6,076,533	(13,101,513)

Note: As noted in Sub-Sub-Program 3.4.1: Maritime Environment – Force Element Production, Coordination and Command, the difference is partially due to the decentralization and delegation of several responsibilities.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	58	54	(4)
Civilian	2	0	(2)
TOTAL	60	54	(6)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A subset of maritime force elements have the ability to work in coordination with one another to achieve greater synergy and realize the enhanced capabilities of a larger collective formation	% of maritime force elements that have completed integration training to meet force posture and readiness requirements	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

The RCN participated in three Task Group Exercises over the course of the year, two on the east coast and one on the west coast. The west coast also participated in RIMPAC. For details, see Sub-Sub-Program 3.2.6 International and Domestic – Interoperability Training.

Sub-Sub-Program 3.2.2: Land Environment – Integration Training

The *Land Environment Integration Training* Program aims to increase the level of integration between land force elements appointed in the Army Managed Readiness Plan to achieve their assigned readiness level. Results are achieved through the execution of training events such as Exercise "MAPLE RESOLVE" and validation activities. This Program facilitates increases in readiness to deal with the complexities of modern warfare. After partaking in this Program, force elements in the land portfolio are capable of delivering a broader range of military effects during operations. This Program sustains Defence by enabling the *Land Roles Readiness Sustainment* Program but also by enabling the employment of land force elements within ongoing Defence operations or to deliver Defence services.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
312,577,659	317,622,882	5,045,223

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	3,699	3,310	(389)
Civilian	119	23	(96)
TOTAL	3,818	3,333	(485)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A subset of land force elements have the ability to work in coordination with one another to achieve greater synergy and realize the enhanced capabilities of a larger collective formation	% of land force elements that have completed integration training to meet force posture and readiness requirements	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

The Canadian Army's (CA) Managed Readiness Plan (MRP) meets the roles and missions assigned in the *Canada First* Defence Strategy by leveraging the full capacity of the Army's doctrine and training system, and force generation base. Current fiscal and resource realities require a tiered-readiness approach to how the Army meets the nation's requirements for affordable, deployable and sustainable ready forces. During FY 2014-15, the flexibility built into the MRP has demonstrated its agility and has allowed the CA to respond to changing operational priorities, while ensuring the CA maintains the necessary ready forces to execute operations.

Additionally, the CA continued to leverage training opportunities, including those in specific environments to promote agility, improve joint integration, encourage retention, and institutionalize capabilities which are necessary for the current and future global security environment.

Sub-Sub-Program 3.2.3: Aerospace Environment – Integration Training

The *Aerospace Environment Integration Training* Program aims to increase the level of interoperability between force elements in the aerospace portfolio so they can operate together to achieve the collective objectives of a larger formation with reduced risks and better chances for success. Results are achieved through the execution of named training events such as Exercise "MAPLE FLAG". Air Expeditionary Task Forces are common outputs of this Program however not every named training event will produce a larger force element like a task force. This Program facilitates increases in readiness to deal with the complexities of modern warfare. After partaking in this Program, force elements in the aerospace portfolio attain new or improved abilities to deliver a broader range of military effects during defence operations. This Program sustains Defence by enabling the *Aerospace Roles Readiness Sustainment* Program but also by enabling the employment of aerospace force elements within ongoing Defence operations or to deliver Defence services.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
34,106,066	55,094,041	20,987,975

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	116	169	53
Civilian	4	4	0
TOTAL	120	173	53

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A subset of aerospace force elements have the ability to work in coordination with one another to achieve greater synergy and realize the enhanced capabilities of a larger collective formation	% of the aerospace force elements that have completed the required integration training	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

Several key training activities and exercises took place, at various levels in order to support the training requirements of the RCAF. Financial restraint was duly applied, at all levels, in order for the costs and expenses to remain within the assigned resource envelopes, in accordance with policies in effect and Defence priorities.

Sub-Sub-Program 3.2.4: Special Operations – Integration Training

The *Special Operations Integration Training* Program aims to increase the level of integration between special operations force elements to achieve their assigned roles and readiness levels. Results are achieved through the execution of collective training events like "DEVIL'S ARROW" and activities focussed on interoperability and capacity building. These activities for Special Operations force elements establish relationships that further synchronize efforts across the military spectrum and multiple agencies, reducing risks and increasing chances of success. This Program sustains Defence by enabling the *Special Operations Roles Readiness Sustainment* Program but also by enabling the employment of special operations force elements within ongoing Defence operations or to deliver Defence services.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
-	-	-

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	-	-	-
Civilian	-	-	-
TOTAL	-	-	-

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A subset of special operations force elements have the ability to work in coordination with one another to achieve greater synergy and realize the enhanced capabilities of a larger collective formation	% of special operations force elements that have completed integration training to meet force posture and readiness requirements	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

Special Operations and its effects are achieved across Defence's Program Alignment Architecture. The details regarding how Special Operations achieves and performs assigned tasks are classified.

Sub-Sub-Program 3.2.5: Joint – Integration Training

The *Joint Integration Training* Program aims to increase the level of integration between joint force elements across different environment portfolios so that collective objectives of a larger joint formation can be achieved. Results are achieved through the execution of training events like "JOINTEX" that increase joint readiness to deal with the complexities of modern warfare. After partaking in this Program, force elements attain abilities to deliver a broader range of military effects. This Program sustains Defence by enabling the *Joint and Common Readiness Sustainment* Program but also by enabling the employment of joint force elements within ongoing Defence operations or to deliver Defence services.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
24,916,607	24,966,530	49,923

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	83	84	1
Civilian	0	0	0
TOTAL	83	84	1

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A subset of joint force elements have the ability to work in coordination with one another to achieve greater synergy and realize the enhanced capabilities of a larger collective formation	% of joint force elements that have completed integration training to meet force posture and readiness requirements	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

To ensure optimal response in Search and Rescue situations, including challenging environments such as the North, the CAF conducted the following two exercises during the fiscal year:

- The National Search and Rescue Exercise (SAREX) took place from 15 to 20 September at 5 Wing Goose Bay, Newfoundland and Labrador. It included 250 participants from the CAF, the Civil Air Search and Rescue Association, the Canadian Coast Guard and the Canadian Coast Guard Auxiliary. During SAREX 2014, the participants were challenged with land, air, and water-based SAR scenarios. These scenarios were designed

to test a variety of skills, including search techniques, parachute accuracy, mountaineering, water rescue, and emergency medical response.

- From 20 to 23 August, maritime and air forces conducted a SAR exercise (SAREX) as part of Operation NANOOK in response to a distress signal from a fishing vessel in the Davis Strait. The second scenario, from 26 to 29 August featured a joint response to a small cruise ship that had grounded near the southern tip of Baffin Island after mechanical difficulties. The CAF deployed a major air disaster kit and worked with other government departments to respond to the simulated crises. Operation NANOOK demonstrated the CAF's ability to exercise sovereignty in the North.

Exercise DETERMINED DRAGON, Operation NANOOK and Exercise Rim of the Pacific (RIMPAC), captured under Sub-Sub-Program 3.2.6: International and Domestic – Interoperability Training also pertain to this Sub-Sub-Program as these events meet both integration and interoperability training requirements.

Sub-Sub-Program 3.2.6: International and Domestic – Interoperability Training

The *International and Domestic Interoperability Training* Program aims to increase the level of interoperability between force elements from multiple nations or domestic organizations so that the collective objectives of these cooperative ventures can be achieved. Results are achieved through the execution of international or domestic training events. Recent examples include exercises "RIMPAC, JOINT WARRIOR and TRIDENT FURY". After partaking in this Program force elements attain abilities to deliver a broader range of military effects during defence operations. This Program sustains Defence by enabling the *Force Element Readiness Sustainment* Program but also by enabling the employment of force elements within ongoing Defence operations or to deliver Defence services.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
16,057,341	65,667,540	49,610,200

Note: The difference is due in part to expenditures for Operation REASSURANCE exercises.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	35	127	92
Civilian	5	5	0
TOTAL	40	132	92

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A sufficient subset of force elements have the enhanced ability to operate as part of a multi-national force during operations that militate against threats or deliver Defence services	% of the force elements that have completed the required interoperability training	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

Defence participated in scheduled exercises and training activities to enhance the ability to operate as part of a multi-national force during operations, to mitigate threats, or deliver defence services.

FY 2014-15 highlights include:

- Exercise Rim of the Pacific (RIMPAC) the largest biennial naval exercise in the world and saw more than 1,000 Canadian sailors, soldiers, airmen, and airwomen participating from 26 June to 1 August in the Hawaiian Islands and Southern California area. Canadian Armed Forces members also fulfilled key leadership roles as Commander Coalition Maritime Force Component, Deputy Coalition Force Air Component Commander and Commander Coalition Task Group 172.2 (Maritime Patrol and Reconnaissance). The 22 RIMPAC participating countries trained in a joint environment, which underlined the importance of building ongoing partnerships with allies and partners. The first fully integrated Humanitarian Assistance and Disaster Relief scenario and Canadian led medical symposium to exchange lessons learned from recent operations and innovative medical practices further enhanced this joint training exercise.
- Exercise DETERMINED DRAGON is an annual training event aimed at exercising the ability to execute various scenarios in defence of North America and global defence operations. This year's exercise primarily focused on the lateral interface between NORAD, United States Northern Command and United States Strategic Command specifically in cyber and space domains. It was executed from 20 to 29 October.
- Operation NANOOK, the largest sovereignty operation in Canada's North, promoted interoperability with Other Government Departments, international partners, and local authorities to increase northern safety and security. Conducted from 20 to 29 August in York Sound and the Davis Strait, Nunavut, it involved more than 800 participants, including all branches of the CAF, a Royal Danish Navy ship, a United States Navy surveillance aircraft, as well as numerous federal, territorial and regional governments.

As part of the Operation REASSURANCE mandate, the Canadian Armed Forces (CAF) undertook military activities to support NATO assurance measures through the provision of military capabilities for training, exercises, demonstrations and assigned NATO tasks.

FY 2014-15 highlights include:

- In fall 2014 HMCS *Toronto* joined NATO's Standing Naval Maritime Group (SNMG) 2 to monitor shipping to help deter, defend, disrupt and protect against terrorist activity in the Mediterranean. SNMG 2 units also provided support to Operation ACTIVE ENDAVOUR which conducted similar activities with a narrower focus on the waters around Gibraltar and North Africa.
- Exercise SABER STRIKE is an annual exercise in the Baltic Region led by U.S. Army Europe to strengthen regional stability, military partnerships and interoperability. This year, approximately 2,000 personnel from 10 countries took part in the training exercises. Approximately 120 soldiers from 3rd Battalion, Princess Patricia's Canadian Light Infantry participated in Exercise SABER STRIKE in Latvia from 9 to 20 June. The exercises fostered defence and leadership capabilities among the Baltic States and challenged participants with detailed tactical planning and coordination.
- Approximately 100 CAF soldiers participated in Exercise STEADFAST JAVELLIN II, a multinational exercise, from 2 to 8 September, in Latvia. The exercise aimed to develop and enhance interoperability, readiness, joint operations capabilities, and multinational responses to potential crises. The exercise took place in five countries: Germany, Estonia, Latvia, Lithuania, and Poland.
- Exercise SEA BREEZE took place from 8 to 10 September and involved naval vessels from eight nations: Bulgaria, Canada, Georgia, Romania, Spain, Turkey, Ukraine and the United States. A second exercise involved Bulgarian and Romanian ships and took place from 13 to 18 September. A third exercise that involved HMCS *Toronto* and Spanish and Turkish allies, occurred from 22 to 24 September.
- Canadian soldiers from Oscar Company, 3rd Battalion, The Royal Canadian Regiment took part in Exercise ANAKONDA-14, a Polish Armed Forces joint exercise. It involved almost 12,500 personnel, including 750 soldiers from NATO allied countries and was conducted throughout Poland's training areas from 24 September to 3 October.

- Approximately 45 soldiers from the Canadian Army took part in Exercise ALLIED SPIRIT, a US-led multinational exercise that took place in Germany from 12 to 31 January.
- HMCS *Toronto* participated between 13 and 26 October in the Mediterranean Sea and Eastern Atlantic Ocean in Exercise NOBLE JUSTIFICATION. The exercise strengthened military-to-military and diplomatic relationships among the participating 16 NATO nations.

In addition to Operation REASSURANCE, Defence deployed designated maritime, land and aerospace force elements to increase the level of interoperability between NATO, Partnership for Peace and other designated nations.

Further highlights for FY 2014-15 include:

- Operation OPEN SPIRIT is an annual multinational explosive remnant of war operation conducted through the Partnership for Peace program. It took place in Latvia between 9 and 22 May led by the Latvian Naval Flotilla and based out of the Latvian Naval Base. The goal of Operation OPEN SPIRIT 2014 was to reduce the threat of unexploded ordnance throughout the Baltic region, conduct operations with our security and defence partners and strengthen ties with our Eastern European allies. It also helped the Royal Canadian Navy clearance divers develop and validate advanced conventional munitions disposal capabilities under conditions not easily replicated in Canada.
- Exercise TRADEWINDS is an annual exercise led by the United States Southern Command to increase Caribbean nations' capacity to counter transnational crime and provide humanitarian assistance and disaster relief. From 1 to 25 June, CAF land and maritime assets participated with Caribbean partners in the Caribbean Basin.
- HMCS *Toronto* participated in Exercise NOBLE MARINER between 13 and 26 October in the Mediterranean Sea and Eastern Atlantic Ocean. This exercise strengthened military-to-military and diplomatic relationships among the participating 16 NATO nations.
- The flying portion of NORAD's Exercise VIGILANT SHIELD 15 took place at 5 Wing Goose Bay, Newfoundland and Labrador, from 20 to 26 October. The exercise provided approximately 550 personnel from the Canadian Armed Forces, the United States Air Force and the United States Air National Guard with the opportunity to realistically train and practice aerospace defence missions in a simulated training environment.

Sub-Program 3.3: Force Elements Production

The *Force Elements Production* Program aims to produce individual force elements with the ability to operate effectively as a cohesive unit, as per their design specification. The force elements produced by the Canadian Armed Forces are organized into portfolios according to the land, aerospace and maritime environments in which they operate. There are also portfolios for force elements that operate jointly across these environments and force elements that provide common support functions. This Program delivers results by assembling force elements from the fundamental elements of Defence capability (i.e., military personnel, materiel and information systems, information, and, in some cases, real property) and integrating them through various training and certification programs. Within this Program individual force elements attain a certain degree of readiness. If a sufficient level of readiness is attained, then individual force elements may be assigned to fulfill a contingency role or they may be directly employed to deliver Defence operations or Defence services that are already in progress. However, this Program does not necessarily provide individual force elements with the ability to operate effectively as part of a larger integrated formation. If the force elements produced by this Program require advanced levels of interoperability, then they may be assigned to take part in the *Force Element Integration Training* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
1,445,556,152	1,357,538,844	(88,017,308)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	10,855	10,492	(363)
Civilian	556	457	(99)
TOTAL	11,411	10,949	(462)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A balanced portfolio of force elements that are continually produced to apply specific Defence capabilities as independent entities, to fulfill readiness roles, and to be employed against threats in Defence operations or to deliver Defence services	% of weighted force elements from all portfolios that have completed the required readiness production milestones	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

Activities within the *Force Elements Production* Program are detailed under each of the applicable sub-sub-programs.

Sub-Sub-Program 3.3.1: Maritime Environment – Force Element Production

The *Maritime Environment Force Element Production* Program seeks to produce individual force elements within the maritime portfolio with the ability to operate as a cohesive unit but not necessarily as part of a larger integrated force. Results are delivered through a tiered readiness process where force elements are assembled from the fundamental elements of Defence capability (i.e., military personnel, materiel and information systems, information, and, in some cases, real property) and then readied through various training, certification and close-support maintenance/production programs. Within this Program individual maritime force elements acquire a range of abilities to deliver military effects in operational contexts according to understood concepts and standards. The products provided by this Program sustain Defence by directly enabling the *Maritime Roles Readiness Sustainment* Program, the *Maritime Environment Integration Training* Program and the *International and Domestic – Interoperability Training* Program. Based on the readiness targets set for assignment to contingency roles or employment in Defence operations, force elements may be transferred directly from this Program. However when higher levels of interoperability are required, force elements are first transferred to the *Maritime Environment Integration Training* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
141,854,621	67,530,090	(74,324,531)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	538	308	(230)
Civilian	23	4	(19)
TOTAL	561	312	(249)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of individual maritime force elements are continually produced to be employed, in delivering Defence operations and Defence services	% of maritime force elements that have met the required readiness production milestones	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

Twenty-seven readiness production events, such as work-ups, operations team training, or air work-ups, were conducted by 19 units in accordance with the fleet schedule. All units successfully completed their requirements on schedule.

Sub-Sub-Program 3.3.2: Land Environment – Force Element Production

The *Land Environment Force Element Production* Program seeks to produce individual force elements within the land portfolio with the ability to operate as a cohesive unit capable of delivering unique capabilities that can be built upon and integrated into a larger task tailored force. Results are delivered through structured processes using the fundamental elements of Defence capability (i.e., military personnel, materiel and information systems, information, and, in some cases, real property). Within this Program force elements in the land portfolio acquire abilities to deliver baseline military effects within operational contexts according to baseline training standards. The products provided by this Program sustain Defence by directly enabling the *Land Roles Readiness Sustainment* Program, the *Land Environment Integration Training* Program and the *International and Domestic Interoperability Training* Program. In some cases these forces achieve sufficient training objectives to be assigned directly to Defence operations. But, in most cases, these force elements proceed to the *Land Environment - Integration Training* Program and when necessary to the *International and Domestic Interoperability Training* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
830,028,968	818,164,924	(11,864,044)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	6,969	6,637	(332)
Civilian	349	247	(102)
TOTAL	7,318	6,884	(434)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of individual land force elements are continually produced to be employed, in delivering Defence operations and Defence services	% of land force elements that have met the required readiness production milestones	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

All FY 2014-15 planned Foundation Training events in support of the Managed Readiness Plan (MRP) occurred, allowing the Canadian Army (CA) to develop and practice soldiers and leaders within a realistic contemporary operating environment, both domestic and expeditionary in nature. This training marked the first year of the new

36 month MRP. This model allows the Lead Mounting Division an entire year to conduct Road To High Readiness Training, vice eight months as per the previous model. The successful conduct of individual and collective foundation training laid the solid foundation of combat capabilities that proved crucial for the success of subsequent combined arms live fire training (Commander Canadian Army's vital ground) and beyond.

As part of the CA's Arctic Concept 2021, the CA force generated, primarily from the Army Primary Reserve, Arctic Response Company Groups (ARCG) that were trained and equipped to operate in all arctic conditions. The ARCG's state of readiness for winter and summer operations is synchronized within the MRP and prioritized based on known and forecasted operational requirements.

Sub-Sub-Program 3.3.3: Aerospace Environment – Force Element Production

The *Aerospace Environment Force Element Production* Program seeks to produce individual force elements within the aerospace portfolio with the ability to operate as a cohesive unit but not necessarily as part of a larger integrated force. Results are delivered through structured managed readiness processes where force elements are assembled from the fundamental elements of Defence capability (i.e., military personnel, materiel and information systems, information, and, in some cases, real property) and then readied through various foundation training, certification and close-support maintenance/production programs. Within this Program aerospace force elements acquire abilities to deliver a range of military effects according to understood concepts and standards. The products provided by this Program sustain Defence by directly enabling the *Aerospace Roles Readiness Sustainment* Program, the *Aerospace Environment Integration Training* Program and the *International and Domestic Interoperability Training* Program. In many cases, the readiness targets set for assignment to contingency roles or employment within Defence operations are consistent with the degree of readiness obtained by aerospace force elements through this Program. In other cases, force elements must transition to the *Aerospace Environment Integration Training* Program before attaining the requisite level of readiness.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
117,130,716	108,574,119	(8,556,598)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	726	975	249
Civilian	8	39	31
TOTAL	734	1,014	280

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of individual aerospace force elements are continually produced to be employed, in delivering Defence operations and Defence services	% of aerospace force elements that have met the required readiness production milestones	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

The RCAF was able to produce adequate aircrew through its operational training units to support required readiness levels. The RCAF also was able to maintain a high level of aircraft serviceability despite on-going issues with aging fleets and availability of qualified technicians.

Sub-Sub-Program 3.3.4: Special Operations – Force Element Production

The *Special Operations Force Element Production* Program seeks to produce individual force elements within the special operations portfolio with the ability to operate as a cohesive organization that is task tailored Special Operations Task Forces or Teams not necessarily part of a larger integrated force. Results are delivered through structured processes where Special Operations force elements are assembled from the fundamental elements of Defence capability (i.e., Special Operations personnel, materiel and information systems, information, and, in some cases, real property). The products provided by this Program sustain Defence by directly enabling the Special *Operations Roles Readiness Sustainment* Program, the *Special Operations Integration Training* Program and the *International and Domestic Interoperability Training* Program. Assigned readiness supports the roles for employment within Defence operations and is consistent with the degree of readiness obtained by force elements through this Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
267,754,108	295,271,320	27,517,212

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1,580	1,745	165
Civilian	113	106	(7)
TOTAL	1,693	1,851	158

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of individual special operations force elements are continually produced to be employed, in delivering Defence operations and Defence services	% of special operations force elements that have met the required readiness production milestones	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

Special Operations and its effects are achieved across the Defence Program Alignment Architecture. Specific details of how Special Operations achieves and performs assigned tasks are classified.

Readiness and force generation results are achieved through Sub-sub-programs 3.1.4 Special Operations Roles – Readiness Sustainment and 3.3.4 Special Operations – Force Element Production. Generally, this is accomplished through a process that includes the provision of training, exercises, provisioning, equipment maintenance and inspections which ensure that the capabilities attained by these force elements do not degrade and that they remain responsive to fulfill assigned roles when called upon. Sub-sub-programs 3.1.4 Special Operations Roles – Readiness Sustainment and 3.3.4 Special Operations – Force Element Production are the areas whereby Special Operations sustainment activities are captured.

For additional information, please see the Defence Special Operations Forces[60] web-page.

Sub-Sub-Program 3.3.5: Joint and Common – Force Element Production

The *Joint and Common Force Element Production* Program seeks to produce portfolios of individual force elements that operate across the environmental domains and have attained the ability to operate as a cohesive unit capable of delivering unique capabilities that can be built upon and integrated into a larger task tailored force. Results are delivered through structured readiness production processes where force elements are assembled from the fundamental elements of Defence capability (i.e., military personnel, materiel and information systems, information, and, in some cases, real property). Within this Program, force elements acquire abilities to deliver a range of military effects according to understood concepts and standards. The products provided by this Program sustain Defence by directly enabling the *Joint and Common Roles Readiness Sustainment* Program, the *Joint Integration Training* Program and the *International and Domestic Interoperability Training* Program. In some cases, the readiness targets set for assignment to employment within Defence operations are consistent with the degree of readiness obtained by force elements through this Program. In other cases, force elements must transition to the *Joint Integration Training* Program before attaining the requisite level of readiness.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
88,787,739	67,998,392	(20,789,347)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1,042	827	(215)
Civilian	64	60	(4)
TOTAL	1,106	887	(219)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of individual joint and common force elements are continually produced to be employed, in delivering Defence operations and Defence services	% of joint and common force elements that have met the required readiness production milestones	3/3 on a 3 point scale	3

Performance Analysis and Lessons Learned

All activities conducted under the *Joint and Common Force Element Production* Program are captured within the Program's description.

Sub-Program 3.4: Operational Readiness Production, Coordination and Command and Control

The *Operational Readiness Production Coordination and Command and Control* Program aims to deliver the command and control structures that support the readiness and balance of Maritime, Land, Aerospace, Special Operations, and Joint and Common force elements. This is accomplished through the development of plans, distribution of resources, coordination of activities, and exercise of overarching control. This supports the programs that provide individual force elements and integrated forces that are ready to be employed in Defence operations or deliver Defence services.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
449,127,659	566,486,463	117,358,804

Note: The difference is due in part to the variance explained under Sub-Sub-Program 3.4.1: Maritime Environment – Force Element Production, Coordination and Command and Control.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	2,992	2,696	(296)
Civilian	775	882	107
TOTAL	3,767	3,578	(189)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The risks that may impede the optimal production of ready force elements in the near and mid-term are reduced	% of Sub-sub-programs under Sub-Program 3.4 that achieve a minimum of 90% of their expected result	70 - 100%	40%

Performance Analysis and Lessons Learned

Activities within the *Operational Readiness Production Coordination and Command and Control* Program are detailed under each of the applicable sub-sub-programs.

Sub-Sub-Program 3.4.1: Maritime Environment – Force Element Production, Coordination and Command and Control

The *Maritime Environment Force Element Production Coordination and Command and Control* Program aims to ensure that maritime force elements are ready to be employed in Defence operations or deliver Defence services. Results are accomplished by developing and maintaining Maritime command and control structures that deliver governance, directives, policies and procedures, coordination, resource planning and management, exercise overarching control, and advice and direction for and in the maritime environment. This Program sustains Defence by directly enabling the *Maritime Environment Force Element Production* Program, *Integration Training* Program, and the *Maritime Roles Readiness Sustainment* Program, as well as the *International and Domestic Interoperability Training* Program. Advice and information are also provided to *Land Environment, Aerospace Environment, Special Operations Forces, and Joint and Common Force Element Production Coordination and Control* Programs as required in order to ensure readiness coordination across all force elements.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
54,555,671	96,538,069	41,982,397

Note: The difference is due in part to the underestimation of planned spending as well as command and control activities that were previously allocated to Sub-Sub-Programs 3.1.1: Maritime Roles – Readiness Sustainment and 3.2.1: Maritime Integration Training were allocated to this Sub-Sub-Program.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	395	401	6
Civilian	185	142	(43)
TOTAL	580	543	(37)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of Maritime Force Elements is generated and sustained so as to be continuously available for employment in Defence operations or to deliver Defence services	% score of the Maritime Environment - Force Element Production Coordination and Command and Control Performance Evaluation Index	90 - 100%	75%
	% of maritime force elements that are employed or filling readiness roles	40 - 55%	52%

Performance Analysis and Lessons Learned

The Royal Canadian Navy (RCN) continued to focus its command and control structure through the de-centralization of responsibilities for operational force generation activities to Commander of Maritime Forces Pacific and by the de-centralization of responsibilities for operational force employment activities to Commander of Maritime Forces Atlantic. Individual training and education and personnel management elements of Force Generation were delegated to Commander of Maritime Forces Pacific. The collective/operation training elements of Force Generation as well as operational elements of planning, fleet readiness, warfare policy, and responsibility for the CAF Expeditionary Maritime Component Commander were delegated to Commander of Maritime Forces Atlantic. In the fall 2014, the RCN stood up the Maritime Readiness Costing Working Group with the aim of conducting a complete review of maritime readiness program including: RCN Readiness and Sustainment Policy and Model; RCN Readiness Costing Model; Readiness Management System; and National Procurement Readiness Mapping.

Pending the arrival of the Queenston-class supply ships, the RCN commenced negotiating arrangements with the Chilean and the Spanish Navies to provide RCN sailors with the opportunity to continue replenishment-at-sea training in the out years.

Sub-Sub-Program 3.4.2: Land Environment – Force Element Production, Coordination and Command and Control

The *Land Environment Force Element Production Coordination and Command and Control* Program aims to ensure that Land Force capabilities and elements are ready to be employed in Defence operations or deliver Defence services. Results are accomplished by developing and maintaining Land command and control structures that deliver governance through the delivery of: directives, policies and procedures, resource planning and management. It is also responsible to coordinate the force generation of Land Force capabilities and elements for operations performed within the land environment. This Program sustains Defence by directly enabling the *Land Environment Force Element Production* Program, *Land Integration Training* Program, and the *Land Roles Readiness Sustainment* Program, as well as contributes to the Joint and Common programs and the *International and Domestic Interoperability Training* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
218,559,866	221,351,281	2,791,414

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1,255	1,175	(80)
Civilian	449	333	(116)
TOTAL	1,704	1,508	(196)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of Land Force Elements is generated and sustained so as to be continuously available for employment in Defence operations or to deliver Defence services	% score of the Land Environment - Force Element Production Coordination and Command and Control Performance Evaluation Index	90 - 100%	N/A Index still in development
	% of land force elements that are employed or filling readiness roles	30 - 45%	45%

Performance Analysis and Lessons Learned

The Canadian Army (CA) met all criteria to support *Canada First* Defence Strategy missions. During FY 2014-15, the flexibility built into the CA's Managed Readiness Plan (MRP) demonstrated its agility and allowed the CA to respond to changing operational priorities, while ensuring it maintains the necessary ready forces to execute operations. Upgrade and insertion projects are progressing well. Notably, the LAV III upgrade project produced 214 upgraded vehicles (114 of which have been fielded). The CA launched a regeneration strategy to strengthen, renew and regenerate itself by focusing on the retention of currently serving members, thus decreasing recruiting and training costs and slowing the loss of talent and organizational knowledge.

Sub-Sub-Program 3.4.3: Aerospace Environment – Force Element Production, Coordination and Command and Control

The *Aerospace Environment Force Element Production Coordination and Command and Control* Program aims to ensure that aerospace force elements are ready to be employed in Defence operations or deliver Defence services. Results are accomplished by developing and maintaining Aerospace command and control structures that deliver governance, directives, policies and procedures, coordination, resource planning and management, exercise overarching control, and advice and direction for and in the aerospace environment. This Program sustains Defence by directly enabling the *Aerospace Environment Force Element Production* Program, *Integration Training* Program, and the *Aerospace Roles - Readiness Sustainment* Program, as well as the *International and Domestic Interoperability Training* Program. Advice and information are also provided to *Maritime Environment, Land Environment, Special Operations Forces,* and *Joint and Common Force Element Production Coordination and Control* Programs, as required, in order to ensure readiness coordination across all force elements.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
151,698,987	223,857,780	72,158,793

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1,281	1,063	(218)
Civilian	122	273	151
TOTAL	1,403	1,336	(67)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of Aerospace Force Elements is generated and sustained so as to be continuously available for employment in Defence operations or to deliver Defence services	% score of the Aerospace Environment - Force Element Production Coordination and Command and Control Performance Evaluation Index	90 - 100%	100%
	% of aerospace force elements that are employed or filling readiness roles	60 - 75%	12%

Performance Analysis and Lessons Learned

Program performance was assessed based on a 90 percent target for the Program's performance evaluation index and a 60 percent target for aerospace elements employed or filling readiness roles. To put the results in context, the percentage of aerospace force elements that are employed or filling readiness roles represents a single snapshot at the end of the fourth quarter. This indicator only captures force elements actively employed outside North America and does not include all aircrew and aircraft deployed within North America. In essence, when this snapshot was taken, Defence only required 12 percent of its serviceable aerospace force elements to be employed to meet the demand at that point in time. Additional serviceable aerospace force elements were deployed within North America and were available for re-tasking if required.

The Royal Canadian Air Force (RCAF) continued to deliver effects along the six lines of operation described in the RCAF Campaign Plan.

FY 2014-15 highlights include:

- Prioritized the enhancement of force readiness activity by re-aligning and re-balancing capability pillars, specifically to obtain full domestic reach capability in the Arctic and optimum expeditionary capacity;
- Continued to fully support the development and application of the *Plan for the North* and improve the RCAF's ability to operate in the North;
- Continued to move forward with the development of 2 Air Expeditionary Wing and of a number of expeditionary capability enabling initiatives;
- Continued to promote the Command, Control, Communications, Computer, Intelligence, Surveillance and Reconnaissance strategy within the Department;
- Worked internally and with the United States Air Force to deliver and interim Processing, Exploitation and Dissemination (PED) capability. Through an Operation IMPACT interim initiative, the RCAF configured two CP-140 Auroras with the ability to support PED missions and established an information gateway for the exchange of full motion video between secure networks;
- Advanced initiatives associated with greater employment of simulation as a way to reduce training costs and extend service life of major fleets. These initiatives included the production of the RCAF Simulation Strategy 2025, the finalization of governance structures, and the progression of options analysis activities related to the weapons systems trainers project;
- The 1 Canadian Air Division Family Support Team conducted visits to all RCAF units to monitor and identify present day family challenges; and
- Efforts to integrate departmental family services initiatives continued to ensure that RCAF families are afforded an opportunity to have their voices heard.

Sub-Sub-Program 3.4.4: Special Operations Forces – Force Element Production, Coordination and Command and Control

The *Special Operations Forces Force Element Production Coordination and Command and Control* Program seeks to ensure that Special Operations force elements and capabilities are ready to be employed in Defence operations or deliver Defence services. Results are accomplished by developing and maintaining Special Operations Forces command and control structures that exercise overarching control, deliver governance, directives, policies and procedures, coordination, planning, resource planning and management, and advice and direction in all areas and activities for which Special Operations Forces are assigned roles and responsibility. This Program sustains Defence by directly enabling the *Special Operations Force Element Production* Program, *Integration Training* Program, and the *Special Operations Roles Readiness Sustainment* Program, as well as the *International and Domestic Interoperability Training* Program. Advice and information are also provided to *Maritime Environment, Land Environment, Aerospace Environment, and Joint and Common Force Element Production Coordination and Control* Programs, as required, in order to ensure readiness through coordination and synchronization with national and international partners.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
-	-	-

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	-	-	-
Civilian	-	-	-
TOTAL	-	-	-

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of Special Operations Force Elements is generated and sustained so as to be continuously available for employment in Defence operations or to deliver Defence services	% score of the Special Operation Force - Force Element Production Coordination and Command and Control Performance Evaluation Index	90 - 100%	N/A Index still in development
	% of special operations force elements that are employed or filling readiness roles	80 - 90%	100%

Performance Analysis and Lessons Learned

Special Operations and its effects are achieved across the Defence Program Alignment Architecture. The details regarding how Special Operations achieves and performs assigned tasks are classified. However, sub-sub-programs 3.3.4 Special Operations - Force Element Production and 3.4.4 Special Operations Forces - Force Element Production, Coordination and Command and Control are the areas whereby Special Operations readiness sustainment activities are captured.

For additional information, please see the Defence Special Operations Forces[61] web-page.

Sub-Sub-Program 3.4.5: Joint and Common – Force Element Production, Coordination and Command and Control

The *Joint and Common Force Element Production Coordination and Command and Control* Program aims to ensure that Joint and Common force elements are ready to be employed in Defence operations or deliver Defence services. Results are achieved by developing and maintaining Joint and Common command and control structures that deliver governance, directives, policies and procedures, coordination, resource planning and management, exercise overarching control, and advice and direction for and in the Joint and Common military operations context. This Program sustains Defence by directly enabling the *Joint and Common Force Element Production* Program, *Joint Integration Training* Program, and *Joint and Common Roles Readiness Sustainment* Program, as well as the *International and Domestic Interoperability Training* Program. Advice and information are also provided to *Maritime Environment, Land Environment, Aerospace Environment*, and *Special Operations Forces Force Element Production Coordination and Control* Programs, as required, in order to ensure readiness coordination across all force elements.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
24,313,134	24,739,334	426,199

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	61	57	(4)
Civilian	19	134	115
TOTAL	80	191	111

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of Joint and Common Force Elements is generated and sustained so as to be continuously available for employment in Defence operations or to deliver Defence services	% score of the Joint and Common Environment - Force Element Production Coordination and Command and Control Performance Evaluation Index	90 - 100%	67%
	% of joint and common force elements that are employed or filling readiness roles	40 - 55%	50%

Performance Analysis and Lessons Learned

During the reporting period, Defence completed and promulgated CONPLAN JUPITER, which serves as a keystone reference for joint capability force element production. Defence continues to work on force generation and force employment models within capacity and in accordance with other priorities and the intent is to complete force employment models in 2015.

Defence ensured equipment readiness by fostering an equipment-focused culture in order to preserve *Canada First* Defence Strategy imperatives.

Program 4.0: Defence Capability Element Production

The *Defence Capability Element Production* Program aims to sustain Defence by producing and maintaining portfolios of the fundamental Defence capability elements so that they are continuously available in the appropriate quantity, combination and condition to sustain the chain of programs delivered by Defence, from the *Defence Capability Development and Research* Program through to the *Defence Ready Force Element Production* Program, which collectively give Defence the ability to conduct *Defence Combat and Support Operations* as well as deliver *Defence Services and Contributions to Government*. The primary elements of Defence capability are military personnel, materiel and information systems, information, and real property. A fundamental focus of the *Defence Capability Element Production* Program is to provide an adequate and sustained supply of individual military personnel and materiel in the near-term and over long-term time horizons so that they can be integrated to produce force elements within the *Defence Ready Force Element Production* Program. Results are achieved through subordinate Programs, each of which focuses on a separate portfolio: military personnel and organization; materiel; real property; or information systems. A lifecycle approach is used to manage each portfolio. The essential aspects of the lifecycle approach are sub-sub-programs that provide the principle lifecycle functions: introduction into service; maintenance, upgrade and supply; release from service; portfolio management; and overarching co-ordination and control. The character of activity that occurs within each of these primary functions depends on the portfolio of entities being produced and therefore the desegregation of the lifecycle functions into sub-sub-programs is unique to each portfolio. The authority for this Program is derived from the *National Defence Act*.

2014-15 Budgetary Financial Resources (dollars)

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (actual minus planned)
13,086,304,226	12,649,487,661	14,316,908,755	12,504,965,147	(144,522,513)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	32,022	31,860	(162)
Civilian	17,820	15,803	(2,017)
TOTAL	49,842	47,663	(2,179)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Suitable Defence capability elements are available in a mix and condition that enables Defence to be prepared for and execute operations	% of Defence Capability Elements that are suitable to Defence needs	90 - 100%	87%

Performance Analysis and Lessons Learned

In support of Program Expected Results and the organizational priority **Maintaining Required CAF Posture and Defence Readiness**, Defence **implemented CDS direction for CAF force posture and defence readiness horizon 1** to ensure resources were aligned and available to support determined readiness levels.

Defence Capability Element Production Program achievements and performance analysis are detailed under each of the applicable sub and sub-sub-programs.

Sub-Program 4.1: Military Personnel and Organization Lifecycle

The *Military Personnel and Organization Lifecycle* Program seeks to enable the production of ready force elements and fulfill obligations of *Defence Combat and Support Operations, Defence Services and Contributions to Government*, and *Defence Capability Development and Research* through the provision of the military establishment, personnel, and personnel services. The Program also honours and recognizes the service and unique sacrifices of our military personnel, provides for a safe and secure workplace, and ensures the appropriate conduct of Defence military personnel. It ensures that personnel are available in the quantity, mix of occupations and with the requisite occupational skills that provide for an optimized military establishment that enables the readiness and employment of multi-purpose combat capable forces and other Defence services. The Program oversees the availability of Regular and Reserve Force personnel to fulfill the military establishment, and the delivery of services provided to the personnel, including recruitment services; transition and release services; professional development services; occupation training services; morale and well-being services; health care services; compensation and benefits services; honours and recognition services; security, protection, justice and safety services; and the planning and governance of the Program. The Program coordinates the execution of subordinate programs responsible for promoting a unified Defence culture and a safe and secure workplace and the planning and governance of the Program. The authority for this Program is derived from the *National Defence Act*.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
3,595,518,849	3,771,764,487	176,245,638

Note: The difference is due in part to the variance explained under Sub-Sub-Program 4.1.8: Military Personnel – Health Care.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	21,628	21,785	157
Civilian	5,546	4,685	(861)
TOTAL	27,174	26,470	(704)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Military personnel with appropriate types of characteristics and attributes are available to meet Defence needs	% of Individual occupations that have the manning required to fill established positions at each rank	95 - 100%	76%

Performance Analysis and Lessons Learned

Out of the 95 Regular Force occupations, 24 finished the fiscal year with less than 90 percent of their preferred manning level, and were therefore considered to be stressed which was an increase from the previous fiscal year. However, many of the affected occupations are either small, new, have intake primarily from internal programs, or are undergoing a change to their establishment numbers. In all but a few cases, there are a sufficient number of members within the training system to gradually improve the health of these occupations.

Sub-Sub-Program 4.1.1: Military Personnel – Regular Force Portfolio Management

The *Military Personnel Regular Force Portfolio Management* Program seeks to ensure that the Defence military establishment is optimized with sufficient number of Regular Force personnel, in the appropriate military occupations, possessing the necessary knowledge and skills at the appropriate time in order to continually supply Defence Readiness and satisfy the requirements for military personnel to ensure the delivery of all other programs. Results are achieved through the management of individual military personnel careers and terms of military service as well as the delivery of selection oversight, succession planning, prior learning assessment review, component transfer, posting and appointment, performance appraisal, and administrative review services. The *Military Personnel Regular Force Portfolio Management* Program sustains Defence by directly enabling the *Defence Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
386,027,278	348,611,512	(37,415,766)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	177	191	14
Civilian	231	103	(128)
TOTAL	408	294	(114)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Regular Force personnel are available to meet Defence needs	% of the total Regular Force establishment that has been filled	95 - 100%	98%
	% of Trained Effective Regular Force	95 - 100%	92%
	% Priority 1 and Priority 2 positions filled	95 - 100%	88%

Performance Analysis and Lessons Learned

Despite the gap between the actual performance results and targets, CAF units and Defence organizations adapted to achieve departmental needs within the available levels of Regular Force personnel and fiscal constraints. The actual results have been trending positively towards the targets and are expected to continue to improve with continued focus on intake, training, and retention to develop and sustain the workforce levels necessary to meet the priority position demands.

An extensive review of the CAF Cost Moves Program was conducted in FY 2014-15. This resulted in the implementation of revisions to improve the accuracy and the auditability of the FY 2015-16 Cost Moves Program by reducing the variance between resource demand, funding allocation, and expenditures. The improved accuracy and auditability could also inform a future review of the performance targets to better account for emerging workforce management issues and demographic trends.

In support of this Program and the organizational priority **Ensuring Defence Affordability**, Defence advanced initiatives to **Implement Defence Renewal**.

FY 2014-15 highlights include:

- The modernization of the CAF Career Management Process continued with the implementation of a new planning, analysis, and tracking tool to improve process efficiency. Refinements to the Canadian Forces

Personnel Appraisal System continued, including a simplification of the personnel evaluation report process where meaningful feedback is now provided to members in a manner that reduces the workload on supervisors and review boards and lessens the administrative burden at the unit level.

- The Military Personnel Management Capability Transformation project (Guardian), a modern, flexible and integrated workforce management system, obtained Treasury Board approval on 17 June for implementation of the initial release and conditional approval for the definition of subsequent releases. The project is well-structured and supported to deliver on its objectives. The project has worked with Public Works and Government Services Canada to develop a business case to leverage the Government of Canada payroll solution (Phoenix) as the pay engine for Military Pay. As a result, the project continues in the definition phase, with the first release of Guardian to occur in 2016.

Sub-Sub-Program 4.1.2: Military Personnel – Reserve Force Portfolio Management

The *Military Personnel Reserve Force Portfolio Management* Program seeks to ensure that the Defence military establishment is optimized with sufficient number of Reserve Force personnel in the appropriate military occupations, possessing the necessary knowledge and skills, at the appropriate time in order to continually supply *Defence Ready Force Element Production* and satisfy the requirements for military personnel to ensure the delivery of all other programs. Results are achieved through the management of individual military personnel careers and terms of military service as well as the delivery of selection oversight, succession planning, prior learning assessment review, component transfer, appointment, performance appraisal, and administrative review services. The *Military Personnel Reserve Force Portfolio Management* Program sustains Defence by directly enabling the *Defence Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
131,203,743	110,056,208	(21,147,534)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	164	150	(14)
Civilian	13	25	12
TOTAL	177	175	(2)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Reserve Force personnel are available to meet Defence needs	% Reserve personnel occupations considered manageable or healthy	91 - 100%	59%

Performance Analysis and Lessons Learned

Program performance was assessed based on a 91 percent target for reserve personnel occupations considered manageable or healthy.

- For the Canadian Army Reserve, there is currently some geographic disparity in the number of soldiers unavailable to fulfill the requirements of the service. As a result, the Canadian Army will initiate a Regeneration Plan to determine the cause of personnel pressures linked to attrition and retention, with a view to producing actionable recommendations.
- Overall the RCAF Air Reserve manning is at about 84 percent of its desired strength, which depicts a fairly healthy Air Reserve Force at this time, however the challenges to growth include higher than anticipated

attrition rates, an aging population, and current recruiting processes. Mitigation strategies in place to help meet desired strength levels include dedicating an Air Reserve Chief Warrant Officer to address recruiting issues at the higher levels, as well as the development of alternative attraction and retention strategies, tailored by region where necessary.

- By the close of year, 33 percent of RCN Naval Reserve classifications were considered healthy and meeting the established Reserve Manning Requirement (RMR). In light of the ongoing DND and CAF initiative to redefine the role of a strategic reserve coupled with the RCN review of the Naval Reserve occupational structure, a conscientious decision was made to target the sustainment of its current manning level as opposed to trying to achieve full RMR. For the 2014-15 recruiting period, the RCN achieved 75 percent of the initial established recruitment goal.

In support of the Program Expected Results, the Compensation for Employers of Reservists Program was launched to assist employers by offsetting the cost incurred by businesses when reservist-employees deploy for military duties, particularly in cases where it may be necessary to hire and train replacements.

In further support of this Program and the organizational priority **Strengthening the Defence Team**, Defence **advanced a comprehensive plan to optimize the military and civilian workforce.**

- Defence continued the May 2013 Vice Chief of the Defence Staff Initiating Directive - Rationalization of the Primary Reserve - Comprehensive Review in order to thoroughly explore, rationalize and incorporate the Reserve component resource into the CAF context, while also focusing on providing proposals to the Government of Canada on strengthening the Reserve for implementation in FY 2015-16.

In support of this Program, Defence advanced initiatives to **Implement Defence Renewal** that further address the organizational priority **Ensuring Defence Affordability**. For details, see Sub-Sub-Program 4.1.1: Military Personnel Regular Force Portfolio.

For additional information Canada's Reserve Force[62], please see the supporting webpage to this report.

Sub-Sub-Program 4.1.3: Military Personnel – Recruitment

The *Military Personnel Recruitment* Program aims to meet the needs of the military establishment and military occupations. Results are achieved by the delivery of attraction, processing, selection and applicant enrolment services. The *Military Personnel Recruitment* Program sustains Defence by directly enabling the *Military Personnel Regular Force Portfolio Management* Program and the *Military Personnel Reserve Force Portfolio Management* Program by ensuring that the needs of the military establishment and military occupations are met.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
75,476,720	88,732,872	13,256,151

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	360	349	(11)
Civilian	47	46	(1)
TOTAL	407	395	(12)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Military personnel recruitment meets the needs of the military occupation	% of the Regular Force external Strategic Intake Plan filled	97 - 101%	101%

Performance Analysis and Lessons Learned

Program performance was assessed based on the goal to fill 97 percent of the Regular Force external Strategic Intake Plan (SIP) of 3,600 for FY 2014-15. The overall SIP was met for the CAF in FY 2014-15, including Chief Military Personnel adjusted external in-year increase of Regular Force SIP to 3,900, although not for every individual occupation. Marketing and recruiting efforts were heavily invested towards bringing the best possible candidates to the CAF, in the right occupation at the right time. DND and the CAF delivered three successful recruitment advertising campaigns to help meet the enrolment objectives of the Regular and Reserve Forces. The campaigns, which focused on priority occupations, women, and the readiness of the CAF to deliver excellence in operations, enabled DND and the CAF to reach millions of potential candidates through various means.

In support of Program Expected Results and the organizational priority **Ensuring Defence Affordability**, Defence **implemented a Defence Renewal** initiative to modernize the CAF recruiting process.

- The Recruiting Business Process Renewal initiative will improve the ability to concentrate on priority and threshold occupations leading to better Strategic Intake Plan outcomes. Notable progress achieved during FY 2014-15 includes the creation of the Recruiting Operations Centre. A new centralized model saw the Centre performing the intake management that was previously conducted at 39 detachments across the country; and now, every applicant is able to utilize e-applications. Applications to enrol in the CAF doubled in the past year to 39,000 and 99.9 percent of all applications are done on-line. Additionally, the flow and timings of recruits through the initial training programmes was better aligned with Strategic Intake Planning and training capacity, thereby significantly lowering the numbers of personnel awaiting training from on average 2,000 in 2013 to a forecast of average 600 going forward. The initiative's modernization efforts provide more representative geographic coverage through e-applications, thus enabling quicker response times from recruiters to applicants, and improving interdepartmental synchronization in managing personnel awaiting training and recruiting Reserve Force personnel.

Sub-Sub-Program 4.1.4: Military Personnel – Transition and Release

The *Military Personnel Transition and Release* Program seeks to transition military personnel to civilian life. Results are accomplished through preparation for civilian employment or retirement and release administration services. This Program also includes termination of military service for deceased military personnel. The services provided by *Military Personnel Transition and Release* Program are directed to military personnel.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
12,757,327	11,341,788	(1,415,539)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	105	113	8
Civilian	0	0	0
TOTAL	105	113	8

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Released Canadian military personnel have access to programs to assist with transition to civilian life, employment and/or retirement	% audits of personnel files that are late	0 - 5%	0%
	% releasing military members that are satisfied with the information they received regarding transition programs	70 - 100%	89%

Performance Analysis and Lessons Learned

Defence remains committed to caring for its personnel and their families and will provide services to restore the health and optimal functioning of its members or help them transition into civilian life. A series of programs, services, and benefits are available to the ill and injured and their families and are continually monitored to ensure that the services are relevant and meet the needs of our military personnel.

Overall releasing military members are satisfied with the information they receive regarding transition programs. Defence formalized partnerships with third party transition program service providers that continue to provide up to date program information to transitioning members, either directly or through the CAF Transition office. To ensure standardization, the most current presentations and information addressing accessibility to the information were and continue to be made available to transitioning members.

Sub-Sub-Program 4.1.5: Military Personnel – Professional Development Training

The *Military Personnel Professional Development Training* Program aims to ensure that military personnel are provided with the requisite professional development, knowledge and skills required by the Canadian Profession of Arms. Results are delivered through the delivery of basic military qualification, university and college education, professional military education and development, second official language training, foreign language training, and workplace values training services. The *Military Personnel Professional Development Training* Program sustains Defence by directly enabling the *Military Personnel Regular Force Portfolio Management* Program and the *Military Personnel Reserve Force Portfolio Management* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
699,036,914	757,455,218	58,418,305

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	8,666	7,527	(1,139)
Civilian	902	863	(39)
TOTAL	9,568	8,390	(1,178)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Military personnel have the professional education and development to meet the needs of the Defence military establishment	% military personnel who disagree that the Canadian Armed Forces Professional Development policies programs support succession planning within the Canadian Armed Forces	< 23.7%	29.5%
	% military personnel who disagree that the Canadian Armed Forces Professional Development programs encourage and support self-development among CAF members	< 31.5%	28.7%

Performance Analysis and Lessons Learned

Military Personnel Professional Development Training ensures that military personnel are provided with the requisite professional development, knowledge, and skills necessary for the employment in the CAF. Program performance was assessed based on member satisfaction with professional development policies and programs. While 29.5 percent of the members surveyed indicate some dissatisfaction with the policies and programs available to support the development of leaders, limited resources continue to be a challenge and contribute to this dissatisfaction. An additional contributor to dissatisfaction is the impact of increased expectations on

members' ability to acquire higher levels education and a greater number of qualifications, during a period of increasing demands and responsibilities in their workplace, all while balancing work and family responsibilities. Defence will continue to monitor issues related to professional development training.

In support of Program Expected Results and the organizational priority **Ensuring Defence Affordability**, Defence **implemented Defence Renewal** initiatives to modernize the CAF individual training and education and to enable the Royal Canadian Air Force to become an agile learning organization through the application of simulation training.

- The CAF is continuing its efforts to integrate and provide adequate training and development opportunities to acquire leadership skills to enhance CAF personnel's ability to be professionally developed in a manner consistent with their aspirations, career goals and institutional needs, within available resources. Modernization of the Individual Training & Education system is ongoing. Some activities progressed including the use of rationalized training delivery, enhancements to the Defence Learning Network, integrated systems approach to training, and developments to the CAF Mobile App Store.
- Under the RCAF Simulation and Synthetic Environment initiative, RCAF orders were amended to strengthen simulation usage and senior advisory boards were implemented for simulation and training.

Sub-Sub-Program 4.1.6: Military Personnel – Occupation Training

The *Military Personnel Occupation Training* Program seeks to ensure that occupational technical and procedural knowledge and skills are provided to military personnel to make them employable in their respective occupations, exclusive of collective training. Results are achieved through the delivery of initial, intermediate, advanced and specialty occupation training services. The *Military Personnel Occupation Training* Program sustains Defence by directly enabling the *Military Personnel Regular Force Portfolio Management* Program and the *Military Personnel Reserve Force Portfolio Management* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
921,377,481	781,422,015	(139,955,466)

Note: The planned spending for FY 2014-15 was based on FY 2012-13 actual spending which included the global engagement training activities performed by the Royal Canadian Air Force. From FY 2013-14 and onwards, those activities were separated from Sub-Sub-Program 4.1.6: Military Personnel - Occupational Training and are now reported under Sub-Sub-Program 1.3.4: Military Diplomacy and Global Engagement.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	6,091	6,131	40
Civilian	1,203	764	(439)
TOTAL	7,294	6,895	(399)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Military personnel have the education and skills that meet the needs of their occupation and Defence requirements	% of Graduates vs. Training Plan target	90 - 100%	98.7%

Performance Analysis and Lessons Learned

Improved coordination between the recruiting process and training continues to reduce the time that personnel await occupation training. The occupation training success rate remains very high.

Sub-Sub-Program 4.1.7: Military Personnel – Morale and Well Being

The *Military Personnel Morale and Well-Being* Program seeks to honour the service and unique sacrifices of our military personnel and sustain and help retain military personnel by meeting basic social and lifestyle needs for themselves and their families, similar to those of other Canadians. Results are accomplished through the recognition of military personnel, serving or retired, veterans, deceased military personnel as well as their families, external individuals, and organizations; and through the delivery of support services such as military family support, military chaplaincy services, and casualty support services to the ill and the injured, and their families. The *Military Personnel Morale and Well-Being* Program services are primarily focused on military personnel and their families.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
381,456,330	302,748,281	(78,708,049)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	533	2,063	1,530
Civilian	380	367	(13)
TOTAL	913	2,430	1,517

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The morale and well-being needs of military personnel are met	% military members dissatisfied with the quality of life services utilized or available to be utilized	< 25%	20.5%
	% CAF personnel dissatisfied with the recognition they receive from the organization	< 29.9%	29%

Performance Analysis and Lessons Learned

Overall, the CAF is doing a satisfactory job meeting its quality of life obligations to members. There is strong satisfaction, as indicated in high-level Your Say Survey measures, for the Military Way of Life, and the rate of members who agreed to stay in the CAF as long as they can, remains very high. This survey result is supported by low Regular Force voluntary attrition. In 2014 increased levels of dissatisfaction continued to be experienced in the belief of the member being looked after if injured on the job. On the other hand dissatisfaction with CAF support to families dropped. Areas of concern, as identified by responses to the Your Say Survey and specific research, will continue to be monitored.

While budgetary and transformational changes may affect some personnel services and support programs, these services and programs remain a leadership priority. CAF members will continue to enjoy a robust and comprehensive compensation and benefits framework, have access to generous and equitable reimbursement programs and services, and have career-long professional development opportunities. Budget implementation plans will be carefully monitored to mitigate adverse impacts on CAF personnel.

The CAF is committed to recognizing its members who make the ultimate sacrifice in the service of their country, those who are injured in the course of duty, and those whose performance is distinguished and worthy of special merit.

Canadian Armed Forces members deployed on Operation IMPACT commemorated Warrant Officer Patrice Vincent and Corporal Nathan Cirillo by naming two of their locations after the members. One of the locations of Air Task Force – Iraq – was named Camp Vincent, in honour of Warrant Officer Vincent, a member of the Royal Canadian

Air Force. The operations base of Canadian Special Operations Forces Command in Iraq is now called Patrol Base Cirillo, in honour of Corporal Cirillo, a Canadian Army reservist. The naming coincided with Remembrance Day, which is commemorated annually to remember Canadians who served in the military in past conflicts and especially those who paid the supreme sacrifice.

In support of Program Expected Results and the organizational priority **Strengthening the Defence Team**, Defence implemented a family-centric model to **provide enhanced support to the ill and the injured and to the families of CAF members**

- A consolidated/integrated Military Family Services operating plan was promulgated in October 2014 and eleven working groups and family panels were formed to address programming challenges and systemic stressors inherent with military life. Military Family Services formalized partnerships with national organizations including Legion, Canadian Mental Health Association, Canadian Medical Association, and Strongest Families, that can play a role in ensuring Canadian communities have requisite skills, knowledge, and awareness to better support military families.
- To address the increased demand for Joint Personnel Support Unit services, 60 Reserve Force positions were extended to 2017 that were planned for conversion to Regular Force.

Sub-Sub-Program 4.1.8: Military Personnel – Health Care

The *Military Personnel Health Care* Program aims to enable operational readiness of military personnel by ensuring that Canadian military personnel have access to health services wherever they serve. Given that Canadian military personnel are not covered under the *Canada Health Act*, the Department of National Defence is mandated to provide health services to members of the Canadian military. Results are achieved through the provision of medical, dental and health care sustainment services. The *Military Personnel Health Care* Program sustains Defence by directly enabling the *Military Personnel Regular Force Portfolio Management* Program and the *Military Personnel Reserve Force Portfolio Management* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
537,310,836	694,710,851	157,400,014

Note: The difference is due to the underestimation of planned spending in this Program.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	2,965	2,706	(259)
Civilian	1,362	1,254	(108)
TOTAL	4,327	3,960	(367)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Health services and health advice meet the needs of military personnel and the organization	% Medical Clinic Patient Satisfaction with regard to their treatment and interaction with medical staff	80 - 100%	77%
	% of CAF personnel that are Dentally Fit to deploy on domestic and international operations	90 - 100%	79.2%
	% Compliance of Laboratory Subspecialty with external Quality Control by discipline	95 - 100%	97.5%

Performance Analysis and Lessons Learned

CAF members have access to a range of programs while serving in the Forces, including exceptional health services. Program performance was assessed based on three program-specific indicators – wait times for General Mental Health (GMH) initial assessment, average number of treatments provided per physiotherapy patient, and dental fitness status.

Available appointment wait time for an initial assessment for GMH looks at the length of time it takes an individual to have their first assessment with the GMH Program. It provides a widely accepted measure of access to care and a means of comparing GMH wait times across the CAF and is used to identify clinics where further analysis may be required to justify additional resource investment and improve patient flow. Performance was well within target at an average of 19 days.

The average number of in-garrison treatments per physiotherapy patient provides both a measure of effectiveness and, when compared to the average number of treatments required for patients referred to off-base private clinics (11 treatments per patient), a measure of efficiency. Bases that exceed the average are closely monitored to encourage efficiencies that will further maximize productivity. Performance was well within target at 5.3 treatments per patient.

A significant number of Regular Force personnel were deemed to be non-deployable from a dental perspective because they either required ongoing dental care (5.4 percent) or did not present for annual dental fitness exams (15.4 percent). In part, non-compliance with annual exam requirements could be addressed by investing resources to proactively remind personnel of their obligations in this regard. A dental population surveillance project has been initiated to review the operational impact of having a dental readiness level of less than the targeted 90 percent.

To address the organizational priority **Strengthening the Defence Team**, Defence **provided enhanced support to the ill and the injured and to the families of CAF members** through various initiatives including:

- Bolstered the sustainability and effectiveness of the CAF Health Care system by:
  - Monitoring the ongoing performance of the system through the Annual Military Health Program presentation to the Departmental Program Management Board.
  - Progressively introducing evidence based practice guidelines to improve health outcomes.
  - Developing Program activity logic models to inform a next generation Performance Management Framework.
- Enhanced mental health initiatives, particularly to address Post Traumatic Stress Disorder (PTSD), including:
  - Implemented an attraction and retention initiative to sustain ongoing staffing and to immediately staff 54 previously never filled public servant mental health clinic positions with mental health professionals including psychologists, social workers, mental health nurses, and addiction counsellors.
  - Optimized use of technology to enhance mental health care by procuring seven virtual reality systems for all Operational Trauma and Stress Support Centres, to support the treatment, education, and rehabilitation of CAF members with anxiety conditions like PTSD.
- Progressed the development of a robust, interdisciplinary, and harmonized mental health capacity focusing on training and education, prevention, and intervention to enhance the psychological resilience of CAF personnel, achieved the following results:
  - Piloted Unit Road to Mental Readiness (R2MR) Training for a Communications Information Group and initiated development of occupation-specific mental health and resilience training for Military Police, Search and Rescue, and Special Operations personnel.
  - Developed two Smartphone applications to support the uptake and practical application of R2MR arousal management skills taught in the classroom.
  - Produced mental health outreach videos highlighting mental health support programs (You're Not Alone), peer support and R2MR to assist CAF members and their families.

Sub-Sub-Program 4.1.9: Organization – Security, Protection, Justice and Safety

The *Organization Security, Protection, Justice and Safety* Program aims to ensure that Defence activities are conducted safely, that the Defence organization is protected and secure from internal and external threats, and that military personnel respect regulations and expectations of the Military Code of Service Discipline. Results are delivered through the coordination and delivery of Military Justice, including the administration of Courts Martial, the delivery of police services, investigation services and criminal intelligence, the provision of custody and detentions services, the development of emergency preparedness tools, the delivery of emergency response services, the delivery of security screening and clearance for personnel and industrial contributors and the delivery of occupational health and safety services and activities. The *Organization Security, Protection, Justice and Safety* Program services are directed to members of Defence and the public.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
267,222,653	302,781,399	35,558,746

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1,629	1,607	(22)
Civilian	694	765	71
TOTAL	2,323	2,372	49

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The Defence military personnel respect regulations and expectations of the Military Code of Service Discipline	Average number of court martials in recent years	55-75	73
Defence activities are conducted safely and accidents are prevented	% decrease in Injury Frequency Rate for Regular Force and civilians	10%	11%*

* Note: Represents FY 2013-14 performance results reported in the *Defence OHS Annual Report FY 13-14*.

Performance Analysis and Lessons Learned

In support of this Program and the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians**, Defence sought to **develop and implement initiatives to integrate security management into departmental operations**.

- The Director General Defence Security was established 1 April 2014 to protect, promote and support security in DND/CAF activities and operations by executing its functional authority leadership and implementing effective security programs. The establishment of the new Defence Security Program encompasses the activities needed to ensure the safeguarding of information, assets and services from compromise as well as the effective coordination and management of security incidents.
- In addition, a focus was also on the revitalization of security governance structures, mechanisms, and resources, to manage security at the departmental and government levels, and the protection of employees from workplace violence. The delivery of mandatory on-line security awareness training and a new security policy suite were central to re-establishing a strong security culture with the DND/CAF.
- Priority was given to the development of the new Departmental Security Plan which is based upon a process of security risk management to ensure decisions for managing security risks were substantiated through analyses and supported by processes which are rigorous, repeated and documented.

- In addition, continuity of government operations and services in the event of security incidents, disruptions or emergencies was given high priority with the initiation of a DND/CAF NCR Business Continuity Plan.
- Defence conducted a thorough review and update of the National Defence Security Orders and Directives in order to clearly articulate to all Defence personnel the responsibilities related to the defence security program.
- Defence advanced the process of consolidating all range safety and field safety programs under a unified governance framework. The processes, procedures and standards being developed will serve to inform operational commanders on the acceptance of risks during the conduct of domestic and international operations where there exists the danger of weapons, ammunition, and/or explosives and/or other relevant field hazards. Several other government departments, agencies, and Allies are being consulted during this process.
- The Canadian Armed Forces (CAF) Joint Counter Explosive Threat Task Force (JCET TF) prepares military and civilian personnel to operate in volatile environments by identifying and neutralizing threats to protect Canadians and our interests at home and abroad. During FY 2014-15, JCET TF conducted a top down review of Counter Explosive Threat skills required by all CAF members regardless of rank, position, and service to ensure an interoperable and seamless joint CAF capability. This review was distributed to the services for inclusion into their updates of individual and collective training standards and packages.

In support of this Program and the organizational priority **Strengthening the Defence Team**, the **Defence Occupational Health and Safety Strategy** demonstrated success in the implementation of the goals and objectives related to the improvements to the Defence Occupational Health and Safety Program. Further improvements are required regarding the impacts of the effectiveness of the Defence Team through functional direction and guidance and the implementation of a corporate framework for occupational health and safety management.

In support of Program Expected Results and the organizational priority **Ensuring Defence Affordability**, Defence launched a new **Defence Renewal** initiative to examine ways to modernize dispatch services for all emergency services that support the CAF. The intent is to examine the current dispatch systems and propose a new model that will improve the efficiency and effectiveness of these services for CAF personnel and their families.

Additional initiatives undertaken throughout FY 2014-15 include:

- The *Strengthening Military Justice in the Defence of Canada Act*[63] (Act) received Royal Assent on 19 June 2013. The Act amends the *National Defence Act* (NDA) to enhance the military justice system, the grievance process and the Canadian Forces Provost Marshal organization. During FY 2014-15, certain NDA amendments came into force with the implementation of necessary changes to the *Queen's Regulations and Orders for the Canadian Forces* (QR&O). Throughout the reporting period, Defence continued to advance the coming into force of additional NDA amendments requiring changes to the QR&O. The amendments to the NDA and QR&O will ensure that that military justice system remains effective, fair and transparent. For more information, please see the Defence website[64].
- The Governor-in-Council assent of the QR&O in May 2014 authorized the promulgation of a new chapter on grievances that more clearly describes the accountabilities and responsibilities of CAF members and those of redress authorities and the Canadian Forces Grievance Authority. At the start of FY 2014-15, more than 600 grievances had been with the initial authority for more than the legislated time limit of four months. Accordingly, on 1 June 2014, Operation RESOLUTION was launched to reduce the backlog. As the operation approached its termination, initial authorities determined 1,400 grievance while reducing the overall backlog from 600 to 100 grievances.
- In June 2014, Defence launched a new digital grievance platform for the CAF. New capabilities were made available to all CAF members and select initial authorities. Features include an automated grievance registry, the ability to manage grievance portfolios electronically, and the ability to adopt an electronic grievance file management system. Together, these enhancements contributed to a more efficient and responsive grievance system.

- The Office of the National Defence and Canadian Forces Ombudsman[65] worked on several systemic investigations. A report on the Board of Inquiry process was published; reports on the care of Reservists suffering from operational stress injuries and on Reserve Force compensation neared completion; a pre-mandate investigation into the grenade explosion at CFB Valcartier in 1974 also neared completion and the joint DND/CF/Veterans Ombudsman investigation on the transition of Canadian Armed Forces members from military to civilian life was in the analysis stage.

Sub-Sub-Program 4.1.10: Military Personnel and Organization – Strategic Coordination, Development and Control

The *Military Personnel and Organization Strategic Coordination, Development and Control* Program seeks to ensure that military personnel and the Defence organization are managed, coordinated and overseen so that military personnel are continually available to supply Defence readiness and satisfy other Defence program delivery requirements. The Program also ensures that the organization meets requirements for safety, security and justice. Results are achieved through planning, design, development, implementation, coordination, control, governance, performance management, reporting, relationship and partnership management, remuneration and advisory services. The *Military Personnel and Organization Strategic Coordination, Development and Control* Program sustains Defence by directly enabling the *Military Personnel and Organization Lifecycle* Program. Governance and advisory services also serve Defence by supporting the *Strategic Coordination, Development and Control* Program of the materiel, real property and info systems capability elements as well as the *Operational Readiness Production Coordination and Control* Program, the *Overarching Control of Domestic and International Operations*, the *Defence Capability Development and Research* Program, and the *Military Heritage and Outreach* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
183,649,568	373,904,343	190,254,776

Note: The difference is primarily due to payments related to the *Manuge v. Her Majesty the Queen* class action lawsuit concerning the *Pension Act* provision contained in the Canadian Forces Service Income Security Income Plan – Long Term Disability Policy.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	938	948	10
Civilian	714	498	(216)
TOTAL	1,652	1,446	(206)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The strategic coordination, development and control of military personnel and the organization meets Defence needs	% Defence Military Personnel and Organization score on the Coordination, Development and Control Performance Evaluation Index	80 - 100%	87.5%

Performance Analysis and Lessons Learned

- Defence instituted a new advisory and decision mechanism – the Force Development Forum (FDF) – to aid in overall CAF Capability Based Planning coordination and control. This new FDF is to advise the Chief Force Development on issues of importance concerning CAF and in particular Joint Force capability development. It includes the highest level of capability development advisors from all Defence organizations. By this central coordination, Defence will be able to better plan and implement the direction provided by the Chief of the Defence Staff in Force Capability Guidance in a coherent and well-coordinated way.

Sub-Program 4.2: Materiel Lifecycle

The *Materiel Lifecycle* Program aims to provide the defence materiel products and services required to ready Defence force elements and fulfill obligations of *Defence Combat and Support Operations, Defence Services and Contributions to Government*, and *Defence Capability Development and Research* activities. It ensures that defence materiel capability elements are available in the quantity, mix and condition that enables the production of ready force element, the employment of multi-purpose combat capable forces, and Defence services. The Program oversees and delivers defence materiel, and the lifecycle management services provided to ensure the availability of defence materiel, including acquisition services; equipment upgrade and insertion services; divestment and disposal services; engineering, testing, production and maintenance services; inventory management and distribution services; investigation, assurance and certification services; and the planning and governance of the Program. The authority for this Program is derived from the *National Defence Act*.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
6,133,224,340	5,968,990,396	(164,233,945)

Note: The difference is due in part to the variances explained under Sub-Sub-Programs 4.2.1: Materiel – Portfolio Management, 4.2.2: Materiel: Acquisition, and 4.2.3: Materiel – Equipment Upgrade and Insertion.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	7,679	7,292	(387)
Civilian	6,704	5,877	(827)
TOTAL	14,383	13,169	(1,214)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence materiel is available in the quantity, mix, and condition suitable to meet the needs of Defence	% of Defence Materiel Portfolio considered suitable to Readiness Training and Operations	90 - 100%	100%*

*Note: Defence encountered some challenges in generating the required data, and the 100 percent result reported here is based on partial data. Work is underway to fully implement this performance indicator for the FY 2015-16 reporting cycle.

Performance Analysis and Lessons Learned

Throughout FY 2014-15, Defence continued to implement the *Canada First* Defence Strategy, including the delivery of 15 new Chinook medium-to-heavy lift helicopters and a fifth CC-177 strategic transport aircraft to the Royal Canadian Air Force (RCAF). The acceptance of the first 6 of 28 new CH-148 Cyclone helicopters, to replace the Sea King fleet, are expected early FY 2015-16.

Defence continued to implement the National Shipbuilding Procurement Strategy, including continued progress on the design of the Royal Canadian Navy's Arctic Offshore Patrol Ships and the award of a contract to build the ships in December 2014.

A $137.8 million contract was awarded to General Dynamics Canada of Ottawa for upgrades to the Canadian Armed Forces' combat net radios and vehicle interface units, which will be employed in the Canadian-built LAV III light armoured vehicles, among other assets.

Defence continued to advance the new *Defence Procurement Strategy* to ensure that the CAF are provided with the equipment they need in a timely and cost-effective way and with a focus on securing the strongest benefits in terms of high-quality jobs for Canadian industry.

Defence is a participant in the Federal Sustainable Development Strategy (FSDS) and contributes to the Greening Government Operations targets through the *Materiel Lifecycle* Program. The Department contributes to the Green Procurement and the Sustainable Workplace Operations target areas of Theme IV: Shrinking the Environmental Footprint – Beginning with Government. For additional details on Departmental FSDS activities, see Section III: Supplementary Information - Departmental Sustainable Development Strategy[66].

Sub-Sub-Program 4.2.1: Materiel – Portfolio Management

The *Materiel Portfolio Management* Program seeks to ensure that defence material, equipment, equipment fleets, and supporting elements, the materiel elements of Defence capabilities, are managed throughout their lifecycle and made available to the production of ready force elements, capability development and research, and Defence services. The Program is primarily focused on ensuring that sufficient types, quantities and mixes of equipment, fleets and associated materials are available and can be delivered to enable the readiness training and the employment of multi-purpose combat capable forces as well as other Defence services. This is accomplished through the delivery of defence materiel portfolio management, coordination, and project planning services. This Program oversees and prompts the suite of services which, in turn, ensure that defence materiel portfolio elements are available and in a condition that allows for their use in military readiness training, operations and Defence services. The *Materiel Portfolio Management* Program sustains Defence by directly enabling the *Defence Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
3,257,674,663	3,080,270,242	(177,404,422)

Note: FY 2014-15 planned spending was based on FY 2012-13 actual spending. Actual spending is affected by the non-cyclical nature of Capital Equipment Program expenditures.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	56	52	(4)
Civilian	439	395	(44)
TOTAL	495	447	(48)

Performance Results

Expected Results	Performance Indicators	Targets	Actual results
Defence materiel, equipment, and equipment fleets are available in the quantity, mix and condition to meet Defence needs	% of key fleets available to meet operational and force development tasks in accordance with *Canada First* Defence Strategy (CFDS)	90 - 100%	84%

Performance Analysis and Lessons Learned

Program performance was assessed based against the target to have 90 percent of key fleets available to meet operational and force development tasks in accordance with the CFDS. Actual performance achieved was based on a sampling of equipment fleets. Naval availability rates are trending upward. Air availability rates achieved targeted levels. For the purpose of this metric, the *Iroquois* and *Protecteur* Classes were removed from the Royal Canadian Navy portfolio list as they were nearing the end of their lifecycle, and will enter the disposal phase. The divestment of four of the five vessels was approved and declared surplus.

In support of the Program's Expected Results and the organizational priority **Ensuring Defence Affordability**, Defence sought to **improve investment planning and management to balance CFDS requirements.**

- Defence continued to strengthen the alignment of the national procurement and materiel management programs with the CAF Force Posture and Readiness plan. Development of equipment strategies within the land equipment program were initiated with a view to improving national procurement and business planning processes by ensuring alignment to the plans and priorities of key stakeholders, including the Canadian Army.

Sub-Sub-Program 4.2.2: Materiel – Acquisition

The *Materiel Acquisition* Program aims to augment the defence materiel portfolio by delivering acquisition services for defence material, equipment, equipment fleets, and supporting elements. This Program is primarily focused on meeting Defence materiel capability needs to enable readiness training and employment of multi-purpose combat capable forces as well as other Defence services. Results are accomplished through the delivery of Major Capital Project, Minor Capital Project, and Minor Capital Equipment Project services. The *Materiel Acquisition* Program sustains Defence by directly enabling the *Materiel Portfolio Management* Program which in-turn provides the materiel elements of Defence capabilities for the *Defence Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
396,268,639	295,876,077	(100,392,562)

Note: FY 2014-15 planned spending was based on FY 2012-13 actual spending. Actual spending is affected by the non-cyclical nature of Capital Equipment Program expenditures.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	826	711	(115)
Civilian	544	242	(302)
TOTAL	1,370	953	(417)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The Defence materiel, equipment and equipment fleets portfolio is augmented in a timely manner to meet Defence needs	% CFDS materiel acquisition projects on original schedule	85 - 100%	40%
	% Non-CFDS materiel acquisition projects on original schedule	85 - 100%	28%
	% CFDS and Non-CFDS materiel acquisition projects on adjusted schedule	85 - 100%	87%

Performance Analysis and Lessons Learned

Based on a sampling of Major Capital Projects, most projects are on track to meet current adjusted scheduled milestones. Aerospace equipment projects experienced delays caused by aircraft not being available to the projects for operational reasons. Eighty six percent of marine projects are on track and one project is awaiting close-out process. A qualification program for project managers is being implemented to help align project manager experience levels with project complexity and risk levels, with the objective of mitigating some of the contributing factors to project slippage.

For detailed information on transformational and major capital projects, see Section III: Supplementary Information – Status Report on Transformational and Major Crown Projects[67] and Status Report on Projects Operating with Specific Treasury Board Approval[68]

In support of the Program's Expected Results and the organizational priority **Ensuring Defence Affordability**, Defence continued to **improve Defence procurement**. Defence continued to rebuild a professional project management workforce enabled by the ongoing transition of the Project Management Competency Development Initiative to a steady state. Defence efforts were largely focused on supporting the implementation of the Government of Canada *Defence Procurement Strategy* to optimize the economic impact of defence procurement and better position the Canadian defence and security industry to be globally competitive.

Defence-specific initiatives from FY 2014-15 include:

- In June 2014, an updated Defence Acquisition Guide (DAG) for 2015 was released to ensure Canadian industry is better positioned to deliver equipment and services for the CAF over the next 20 years. This refresh to the DAG introduces new initiatives, as well as highlights changes to existing initiatives. Over 60 per cent of the projects have been refreshed, and, to increase engagement DAG 2015 has been expanded to include initiatives of greater interest to industry.
- The groundwork was laid to introduce an Independent Review Panel for Defence Acquisition (IRPDA). The IRPDA is an independent, third-party challenge function related to the requirements for major procurements and a core component of the strategy.
- Additional effort towards implementing the export component of the Strategy was made through providing assistance to Canadian industry's marketing and sales efforts.
- Consultation with Public Works and Government Services Canada, Industry Canada, International Trade and central agencies, continued with the aim to leverage and streamline objectives of the Strategy, and enhance interdepartmental governance.
- As part of the Defence Renewal plan, Defence is continuing to improve and streamline the project approval process and enhance departmental governance. See Internal Services, Sub-Program 6.1: Management and Oversight, for further details.
- Defence provided qualified Project Managers for 90 percent of projects with ratings in the top half of Treasury Board Secretariat's criticality and risk ratings for projects.

In support of this Program and to address the organizational priority **Ensuring Defence Affordability**, Defence advanced the initiative to **Implement Defence Renewal**.

- Departmental procurement remains the most significant initiative to achieve reinvestment in the Defence Renewal programme. In 2014-15, there was increased focus on leveraging Public Works and Government Services Canada's (PWGSC) Acquisition Card Value Proposition Study that provides recommendations and options for optimizing and increasing acquisition card usage in government procurement. Significant effort has been directed towards identifying linkages to professional development requirements and the development of the procurement community of practice, as well as enhancing departmental efforts to increase procurement capacity and expertise. In order to be successful, however, this initiative relies heavily on achieving synchronization with concurrent PWGSC procurement reform initiatives, industry support to optimize procurement processes, as well as ability to "institutionalize" required changes and sustain momentum after Defence Renewal.

Please see the Defence website, for more information on Investing in Equipment[69] and on Canadian Government Defence Procurement[70].

Sub-Sub-Program 4.2.3: Materiel – Equipment Upgrade and Insertion

The *Materiel Equipment Upgrade and Insertion* Program seeks to ensure that defence material, equipment, equipment fleets, and supporting elements are upgraded and/or undergo technology insertion. Results are achieved by the delivery of services for maintenance periods, mid-life upgrades and other equipment and platform work programs designed to rejuvenate and update equipment and materiel technologies. The *Materiel Equipment Upgrade and Insertion* Program sustains Defence by directly enabling the *Materiel Portfolio Management* Program which in-turn makes the materiel element of Defence capabilities available for the *Defence Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
733,742,639	519,980,310	(213,762,329)

Note: FY 2014-15 planned spending was based on FY 2012-13 actual spending. Actual spending is affected by the non-cyclical nature of Capital Equipment Program expenditures.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	942	1,042	100
Civilian	60	338	278
TOTAL	1,002	1,380	378

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence materiel, equipment and equipment fleets are refitted and/or transitioned to meet Defence needs	% of Materiel Upgrade and Technological Insertion Projects and Upgrades on adjusted schedule	85 - 100%	78%
	% of Materiel Upgrade and Technological Insertion Projects and Upgrades on original Treasury Board Secretariat schedule	85 - 100%	30%

Performance Analysis and Lessons Learned

Based on a sampling of upgrade and insertion projects, projects are progressing well against adjusted schedule. Notably, maritime projects show a steady improvement in schedule, and the LAV III upgrade project produced 214 upgraded vehicles (114 of which have been fielded by the Canadian Army).

For detailed information on transformational and major capital projects, see Section III: Supplementary Information – Status Report on Transformational and Major Crown Projects[71] and Status Report on Projects Operating with Specific Treasury Board Approval[72].

FY 2014-15 saw the continued successful procurement in the following areas:

- The first five of twelve Halifax-class frigates completed the modernization program. The ships are HMCS *Halifax, Fredericton, Calgary, Winnipeg,* and *Montreal*. The seven remaining ships are at various stages of the modernization with HMCS *Toronto* as the last frigate scheduled to enter the modernization program in July 2015. The modernized Halifax-class ships bring enhanced capabilities required to meet new threats and changing operating environments. They will also sustain and enhance the operation of the frigates throughout the latter half of their operational life for the Canadian Armed Forces.

- The Victoria-class submarine fleet reached operational steady state with three (HMCS *Victoria*, *Windsor*, and *Chicoutimi*) out of four submarines available for operations while the fourth (HMCS *Corner Brook*) undergoes a planned extended docking working period to ensure sustainment of the submarine fleet.
- The CF-188 Hornet modernization projects, to provide interoperability, survivability and operational capability throughout the lifetime of the CF-18, are on track for completion in 2017. Aircraft availability remains a challenge for any equipment upgrade and insertion project.

Sub-Sub-Program 4.2.4: Materiel – Divestment and Disposal

The *Materiel Divestment and Disposal* Program seeks to reduce the defence materiel portfolio by delivering divestment and disposal services for material, equipment, equipment fleets and supporting elements. This Program is primarily focused on maintaining the mix and quantity of materiel to meet Defence materiel capability needs. Results are achieved through the delivery of services for asset sales, trade-ins, alternative applications (such as artefacts), donations and monuments, transfers, and scrapping/destruction. The *Materiel Divestment and Disposal* Program sustains Defence by directly enabling the *Materiel Portfolio Management* Program which in-turn provides the appropriate mix of materiel elements of Defence capabilities for the *Defence Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
6,229,987	11,776,958	5,546,971

Note: FY 2014-15 planned spending was based on FY 2012-13 actual spending. Actual spending is affected by the non-cyclical nature of Capital Equipment Program expenditures.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	6	36	30
Civilian	25	17	(8)
TOTAL	31	53	22

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence materiel, equipment and equipment fleets are reduced in a safe, responsible, and timely manner to meet Defence needs	% materiel disposed on schedule	80 - 100%	100%

Performance Analysis and Lessons Learned

In support of Program Expected Results and the organizational priority **Ensuring Defence Affordability**, Defence sought to **improve investment planning and management to balance CFDS requirements** through an initiative to develop and execute disposal plans to ensure the effective disposal of surplus assets.

Defence completed all seven of its planned major disposal projects of surplus assets. These seven major system disposals were completed on schedule this year. Two planned disposals were delayed for operational reasons as the systems are being retained for a time until a replacement capability is secured.

Sub-Sub-Program 4.2.5: Materiel – Engineering, Test, Production and Maintenance

The *Materiel Engineering, Test, Production and Maintenance* Program aims to ensure that defence materials, equipment and services satisfy operational and performance requirements and are in condition that allow for their safe use at inception and throughout their lifecycle. Results are accomplished through the delivery of technical review, analysis, examination, testing, certification, quality assurance, and production and maintenance services to the defence materiel portfolio. Also, engineering investigations and analysis services are conducted to address materiel failures as required by the appropriate authorities. The *Materiel Engineering, Test, Production and Maintenance* Program sustains Defence by enabling the *Materiel Portfolio Management* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
1,156,126,890	1,427,695,173	271,568,283

Note: The difference is due in part to the underestimation of planned spending in this Program. The difference is further attributable to a year-over-year increase in equipment maintenance costs.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	3,249	2,808	(441)
Civilian	3,527	3,064	(463)
TOTAL	6,776	5,872	(904)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence materiel, equipment and equipment fleets are in a condition that meets the needs of Defence	% materiel maintenance on schedule	85 - 100%	80%

Performance Analysis and Lessons Learned

Program performance was assessed based against the target to have 85 percent of planned materiel maintenance activities on schedule. Actual performance indicates that maritime maintenance was 75 percent on track. Eighty-five per cent of planned third level aerospace maintenance activities were completed on time. However, major structural repairs delayed the remaining planned maintenance activities. Defence is working to resolve some data integrity issues impacting this performance metric.

In the case of the Royal Canadian Navy (RCN), platform serviceability is assured through built-in redundancy of key ship-fitted equipment, reducing the requirement for additional platforms to compensate for equipment malfunction. In addition, platforms are capable of performing a variety of roles based on equipment availability which ensures RCN's continued ability to conduct its assigned missions in accordance with the force posture and readiness. The aging of the Iroquois and Protecteur classes and challenges in maintaining their serviceability led to the decision to retire four major war vessels early. Capability concerns were identified early and interim measures are currently being brought into effect in advance of the delivery of the Canadian Surface Combatants and the Joint Support Ships. All units tasked under the updated Managed Readiness Plan were serviceable to conduct their assigned missions and training requirements as planned.

The Canadian Army (CA) continues to see limited serviceability rates due to its aging fleets. The CA assesses its major vehicle and equipment fleet serviceability at 60 percent. This number does not reflect the operational capability of the CA to achieve the six missions directed in the *Canada First* Defence Strategy; it is simply a statement of the serviceability situation of its major vehicle and equipment holdings. Until replacements fleets are fielded, and in order to minimize the impact on readiness, the CA is actively prioritizing the usage of its fleets based

on the Managed Readiness Plan. Projects for replacement fleets are in various stages of development and fielding, and are anticipated to improve the situation in the next four years.

Despite on-going issues with aging fleets and the availability of qualified technicians, the Royal Canadian Air Force achieved an overall fleet serviceability rate of 93 percent. Parts availability remains a concern for certain fleets, as serviceability levels can only being achieved by taking parts from other aircraft, which increases maintenance requirements. A funding inject is expected in FY 2015-16 that will begin to mitigate this issue. Additionally, initiation of a Penalty Preventative Maintenance program will also support availability increases in the future.

In support of this Program and the organizational priority **Ensuring Defence Affordability** Defence advanced the **Defence Renewal** initiative for maintenance execution.

- The Defence Team is developing a plan to perform maintenance more effectively and efficiently. Supported by KPMG's initial on-site assessments of the 3rd Canadian Division in Edmonton, Fleet Maintenance Facility Cape Scott in Halifax, and at 14 Wing in Greenwood, the Defence Team continues to validate baseline reinvestment opportunities.

Sub-Sub-Program 4.2.6: Materiel – Inventory Management and Distribution

The *Materiel Inventory Management and Distribution* Program aims to ensure that defence material, equipment, equipment fleets and all supporting elements are made available in a timely manner and in the required location to produce ready force elements, conduct operations, and deliver Defence services. Results are achieved through the delivery of transportation, inventory and warehousing management, inventory control, identification and tracking, and Defence postal services for the materiel elements of Defence capabilities and other relevant military elements. The *Materiel Inventory Management and Distribution* Program sustains Defence by enabling the *Materiel Lifecycle* Program, the *Defence Ready Force Element Production* Program, the *Defence Capability Development and Research* Program, the *Defence Services and Contributions to Government* Program, and *Defence Combat and Support Operations* as required.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
515,592,807	570,460,286	54,867,479

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	2,380	2,429	49
Civilian	1,788	1,569	(219)
TOTAL	4,168	3,998	(170)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence materiel, equipment and equipment fleets are supplied and made available in a timely manner at the location to meet the needs of Defence	% of stock-out on projected materiel requirements	< 7.93%	5.78%

Performance Analysis and Lessons Learned

In support of the Program's Expected Results and the organizational priority **Ensuring Defence Affordability**, Defence continued to **improve Defence procurement**. Under this Program, specific focus was placed on enhanced training, identification, and re-transfer authorities to continue to ensure compliance integrity as it relates to domestic and international controlled goods obligations.

In support of the organizational priority **Ensuring Defence Affordability**, Defence successfully progressed several initiatives to modernize inventory management programs in an effort to **continue to strengthen the core Control Framework in support of Treasury Board requirements pertaining to procurement, management and control inventories**. Key accomplishments include:

- Completed the inventory of 1st and 2nd Line Ammunition stock, weapons and serial number items within their respective infrastructure.
- Completed stocktaking of over $6.25 billion of materiel in FY 2014-15:
  - Through the use of the National Stocktaking Project, completed stocktaking of over $1.05 billion of materiel and more than $1.03 billion of materiel stock verifications in FY 2014-15.
  - Through the Chief of the Defence Staff/Deputy Minister Directive on Materiel Accountability, completed stocktaking of over $5.2 billion of selected Defence materiel accounts in the months of November 2014 to January 2015.
- Defence continued options analysis for an Automatic Identification Technology project.

Sub-Sub-Program 4.2.7: Materiel – Strategic Coordination, Development and Control

The *Materiel Strategic Coordination, Development and Control* Program aims to ensure that defence material, equipment, equipment fleets and all supporting elements are managed, coordinated and overseen so that they are available for the production of ready force elements and the employment of multi-purpose combat capable forces as well as other Defence services. Results are achieved through the delivery of planning, design, development, implementation, coordination, control, governance, performance management, reporting, relationship and partnership management, and advice services as they relate to defence materiel in order to meet Defence readiness needs. The *Materiel Strategic Coordination, Development and Control* Program sustains Defence by enabling the *Materiel Lifecycle* Program. Governance and advisory services also support the *Strategic Coordination, Development and Control* Program of the military personnel and organization, real property and info systems capability elements as well as the *Operational Readiness Production Coordination and Command and Control* Program, the *Defence Capability Development and Research* Program, and the *Defence Services and Contributions to Government* Program. Further, this Program includes all international and industrial activities, as well as regulatory programs and the coordination and control of the Airworthiness Program in response to the *Aeronautical Act*.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
67,588,715	62,931,350	(4,657,365)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	219	214	(5)
Civilian	291	252	(39)
TOTAL	510	466	(44)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The strategic coordination, development and control of Defence material meets Defence needs	% Defence Materiel score on the Coordination, Development and Control Performance Evaluation Index	80 - 100%	81.3%

Performance Analysis and Lessons Learned

In support of this Program and the organizational priority **Ensuring Defence Affordability** Defence advanced the **Defence Renewal** initiative for maintenance program design.

- The Maintenance Programme Design initiative has carefully used the last 18 months to develop and socialize a solid strategy for going forward. Maintenance programmes being rationalized are showing potential for significant returns and sustainment initiative pilots are also showing promise. Ambitious objectives for 2015 have been set - and agreed to - by PWGSC and Industry Canada, and they will need to be met in order to achieve Defence Renewal targets. Ultimately, to be successful, the initiative requires acceptance *at all levels* in several Departments, continued industry support, successful pilots, and significant professional development and communications efforts.

Sub-Program 4.3: Real Property Lifecycle

The *Real Property Lifecycle* Program provides the real property products and services required to ready Defence force elements and fulfill obligations of *Defence Combat and Support Operations, Defence Services and Contributions to Government*, and *Defence Capability Development and Research* activities. It ensures that defence real property capability elements are available in the quantity, mix and condition that enable the production of ready force elements, the employment of multi-purpose combat capable forces, and other Defence services. The Program oversees and delivers real property and the lifecycle management services to ensure the availability of real property, including acquisition and new capability construction services, recapitalization and betterment services, divestment and disposal services, operation, maintenance and repair services, navigation and traffic control services, environment and remediation services, and the planning and governance of the Program. The authority for this Program is derived from the *National Defence Act*.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
2,227,013,166	1,962,778,579	(264,234,588)

Note: The difference is due in part to the variance explained under Sub-Sub-Program 4.3.1: Real Property – Portfolio Management.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1,360	1,466	106
Civilian	4,026	3,839	(187)
TOTAL	5,386	5,305	(81)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence real property is available in the quantity, mix, and condition that is suitable to Defence needs	% of Defence real property that is suitable to Defence requirements	80 - 100%	92%

Performance Analysis and Lessons Learned

Overall, the Defence portfolio meets Defence operational requirements. Areas of concern within the infrastructure portfolio are being prioritized via the Capital Investment Plan. The results are based on the assessments reported in December 2012 Report on the State of Real Property Assets which covered 67 percent of the Defence real property. These results remain valid. Defence is currently revising the methodology to undertake future assessments for suitability of the real property portfolio.

Defence is a participant in the 2013-16 Federal Sustainable Development Strategy and contributes to Theme III and Theme IV targets through the *Real Property Lifecycle* Program. Please see the Departmental Sustainable Development Strategy[73] for details.

Sub-Sub-Program 4.3.1: Real Property – Portfolio Management

The *Real Property Portfolio Management* Program seeks to ensure that defence real property is managed holistically throughout its lifecycle so that the condition of Defence real property capability elements is suitable to Defence needs and made available for the production of ready force elements, capability development and research, and Defence services. This is accomplished through real property assessment services, analysis services, requirement identification services, inventory data management, and service delivery coordination for defence real property acquisitions, operations, maintenance and repairs, divestments, disposals, environmental, and remediation services. The *Real Property Portfolio Management* Program sustains Defence by directly enabling the *Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
757,023,314	498,577,186	(258,446,128)

Note: FY 2014-15 planned spending was based on FY 2012-13 actual spending. Actual spending is affected by the non-cyclical nature of Real Property acquisition expenditures.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	4	4	0
Civilian	307	135	(172)
TOTAL	311	139	(172)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence real property is available in a condition that meets Defence needs	Facility condition rating (%) for real property assets	0 - 20%	38.2%
	% of real property maintenance, repairs and recapitalizations expenditures compared to replacement value of Real Property Replacement Costs	3.9%	2.91%

Performance Analysis and Lessons Learned

Program performance was assessed based on two program-specific measures – a Facility Condition Index and a ratio of expenditures to replacement value for real property.

The facility condition rating for real property assets results reflect assessments conducted at target bases of CFB Halifax, CFB Borden, and CFB Esquimalt. FY 2014-15 marks the first year of reporting on condition using the Facility Condition Index. Taken on average, the results suggest the infrastructure in these locations requires attention and investments in the portfolio to maintain Defence operational capability.

Defence continues to invest in maintenance and repair as well as the recapitalization of real property assets to ensure the portfolio continues to support Defence capability. The Corporate Capital Construction program provides an enterprise-wide approach that supports strategic investments in the real property portfolio. For maintenance and repair, a pilot project using a centralized management approach was undertaken and results were positive as it enabled earlier confirmation of funding, planning, and tendering. Lower investments in

maintenance and repair, largely due to funding pressures, continues to result in a downward pressure on meeting the CFDS target of 3.9 percent of the Real Property Replacement Costs.

In support of this Program and the organizational priority **Ensuring Defence Affordability** Defence advanced the **Defence Renewal** initiative to rationalize the Real Property portfolio and to centralize real property management.

- The initiative to rationalize Real Property portfolio continues to progress as infrastructure and its associated real property replacement cost is removed from the portfolio. In FY 2014-15, 166 building demolition/disposals were completed as was the strategic disposal of Jericho Beach.
- Defence promulgated the Real Property Management Framework and continued the centralization of the management of real property under a single authority. In April 2014, Defence reduced from nine to four Real Property custodians, the initiative remains on track for 2016 when the Department will maintain a single Real Property custodian. Once completed, Defence will be able to efficiently manage the lifecycle of departmental infrastructure in support of Canadian Armed Forces missions, while providing best value to Canadians.

Sub-Sub-Program 4.3.2: Real Property – Acquisition

The *Real Property Acquisition* Program seeks to expand or enhance the defence real property assets portfolio through the delivery of purchase, capital leases, new asset construction, or life extension construction services where and when needed in support of new Defence capabilities. Results are achieved through purchase, lease, exchange, gift, easement, transfer, expropriation services or other means as required. The *Real Property Acquisition* Program sustains Defence by directly enabling the *Real Property Portfolio Management* Program which in-turn provides the real property elements of Defence capabilities for the *Defence Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
96,409,824	73,530,390	(22,879,434)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	12	8	(4)
Civilian	136	122	(14)
TOTAL	148	130	(18)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The Defence real property assets portfolio is augmented or extended in a timely manner to meet the needs of Defence	% New construction, betterments and recapitalizations on original Treasury Board Secretariat schedule (over $1M)	90 - 100%	90.2%
	% New construction, betterments and recapitalizations on adjusted schedule (over $1M)	90 - 100%	65.4%

Performance Analysis and Lessons Learned

The Corporate Capital Construction Program has been working well under a centralized management model. The majority of recapitalization projects were within the planned schedule reported to the Treasury Board Secretariat. However, there has been some slippage associated with project amendments. For detailed information on transformational and major capital projects, see Section III: Supplementary Information – Status Report on

Transformational and Major Crown Projects[74] and Status Report on Projects Operating with Specific Treasury Board Approval[75].

In support of this Program and the organizational priority **Ensuring Defence Affordability** Defence advanced the **Defence Renewal** initiative to improve Real Property project delivery.

- Defence is incorporating industry best practices into the Integrated Project Delivery process. This complex initiative involves the collaboration between the Department of National Defence and Defence Construction Canada and work towards improving the project approval process for the department is on-going.

Sub-Sub-Program 4.3.3: Real Property – Divestment and Disposal

The *Real Property Divestment and Disposal* Program aims to reduce the defence real property portfolio by addressing surplus defence real property capability elements. Results are achieved through timely divestments of real property where and when required to ensure that Defence maintains a relevant real property mix to meet Defence real property capability needs. This is accomplished through site identification services, property assessment services, estimate/appraisal services, solicitation process services, consultation services, negotiation services, and agreement development services. The *Real Property Divestment and Disposal* Program sustains Defence by directly enabling the *Real Property Portfolio Management* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
33,085,467	29,537,375	(3,548,092)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	2	2	0
Civilian	105	45	(60)
TOTAL	107	47	(60)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence real property assets portfolio is reduced in a timely manner to meet Defence needs	% surplus real property land area compared to total owned	< 1%	0.51%

Performance Analysis and Lessons Learned

Real Property Disposals are critical to ensuring a sustainable Real Property portfolio. Divestments reduce pressure on Defence infrastructure maintenance and repair budgets over the longer term and contribute to off-set life-cycle costs of new and recapitalized assets. Defence continues to rationalize its real property portfolio through divestments that do not support program requirements.

Defence both identified surplus real property land area and disposed of it, keeping the percentage surplus below a target of 1 percent during FY 2014-15.

Sub-Sub-Program 4.3.4: Real Property – Operations, Maintenance and Repair

The *Real Property Operations, Maintenance and Repair* Program aims to provide fundamental services for planned and unplanned maintenance, repair, and overall operation of defence real property capability elements (i.e. buildings, works, and base functions) to ensure its continued availability and suitability to meet the needs of Defence. Results are achieved through real property assets maintenance, repair, and operation services such as grounds keeping, HVAC, waste collection, navigation, air traffic and range control, and the provision of other real property related amenities. The *Real Property Operations, Maintenance and Repair* Program sustains Defence by enabling the *Real Property Portfolio Management* Program and enables the *Defence Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
1,250,146,252	1,230,702,815	(19,443,437)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1,315	1,425	110
Civilian	3,259	3,267	8
TOTAL	4,574	4,692	118

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence real property is maintained and repaired in order to meet the needs of Defence	% of Residential Housing Units that are of a suitable condition for occupancy by CAF members	85 - 100%	87.1%
	% real property maintenance and repair investment in relation to Real Property Replacement Cost	1.4%	0.66%

Performance Analysis and Lessons Learned

National data at 31 October reflects that 87 percent of the Canadian Forces Housing Agency (CFHA) managed housing portfolio has been assessed to be in average or better condition. This is a 3 percent improvement in portfolio condition from FY 2013-14 results. This change is primarily related to data updates from disposals, lifecycle replacement of components, and capital investments.

Funding for Maintenance and Repair (M&R) remains a significant DND pressure with M&R trending below the CFDS target of 1.4 percent of Real Property Replacement Cost (RPRC). In FY 2014-15, a pilot project using a centralized funding approach was undertaken and results were positive. The centralized approach supports earlier confirmation of funding, planning and tendering of contracts for M&R projects and services. Building on the positive results of the pilot project, Defence is actively pursuing to continue the centralized approach for M&R.

In support of this Program and the organizational priority **Ensuring Defence Affordability** Defence advanced the **Defence Renewal** initiative to optimize facilities management.

- Defence developed the National Real Property Procurement Strategy. Under this strategy, efficiencies are anticipated to be realized through strategic commodity sourcing, bundling of facility maintenance contracts, and implementing new agreements. The Department has put in place a new service level agreement in the National Capital region and is benefitting from administrative efficiencies.

Sub-Sub-Program 4.3.5: Real Property – Environment and Remediation

The *Real Property Environment and Remediation* Program aims to enable the production of ready force elements through environmentally sustainable Defence activities, and to ensure that Defence reduces its liability related to real property. Results are accomplished through the delivery of awareness initiatives, and environmental assessment, environmental management, natural resources, communication and consultation services. Additionally, the remediation of defence real property capability elements also achieves results through the delivery of site identification, site assessment, site characterizations, and site classification services as well as sampling, testing, risk management and mitigation, and long-term monitoring services. The *Real Property Environment and Remediation* Program sustains Defence by directly enabling the *Real Property Lifecycle* Program as well as the Defence *Operational Readiness Production Coordination and Command and Control* Program, *Organization Security, Protection, Justice and Safety* Program, and the *Military Personnel and Organization, Materiel, Info Systems Strategic Coordination, Development and Control* Programs.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
64,791,317	97,859,245	33,067,928

Note: The difference is due to the underestimation of planned spending in this Program.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	10	9	(1)
Civilian	181	159	(22)
TOTAL	191	168	(23)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence reduces its environmental and unexploded ordnance (UXO) liability related to real property	% reduction in contaminated sites opening liability (sites which reported liability in the previous fiscal year)	7%	7.1%
	# Identified UXO sites legacy assessed per year	40	41
Defence demonstrates responsible and sustainable environmental stewardship	% achievement of Federal Sustainable Development Strategy commitments	95 - 100%	97.3%

Performance Analysis and Lessons Learned

Preliminary results indicate a reduction of 7.1 percent to the contaminated sites opening liability in FY 2014-15, exceeding the target.

Defence continues to undertake assessments at sites that pose human health or environment risk. During FY 2014-15, 41 sites were assessed, of which one site was assessed as "no risk", 38 sites were assessed as "low Unexploded Ordnance risk", and two sites were assessed as "medium risk".

Defence remains committed to supporting the Government of Canada's Federal Sustainable Development Strategy (FSDS). In FY 2014-15, Defence achieved 97 percent of its FSDS targets. The Department has developed a Greenhouse Gas (GHG) Emissions Reduction Plan to better support the FSDS and GHG goals.

In support of this Program and the organizational priority **Ensuring Defence Affordability** Defence advanced initiatives to **promulgate the Defence environmental strategy.**

- Defence implemented the Defence Environmental Strategy (DES) Management Plans in areas of Equipment, Infrastructure and Internal Services. These ensure environmental considerations are integrated into activities that support the Defence mandate.
- Within Defence, the management of the Environment is integrated across the entire department. In FY 2014-15, the management of the Environment program was supported by a streamlined governance process as well as the implementation of a new network model that provides information exchange, transparency and collaboration across the department on environmental issues. In addition, Defence developed an environmental directory, accessible to all Defence staff. Collectively, these initiatives support strengthening efficiencies in managing the environmental program in Defence.

Sub-Sub-Program 4.3.6: Real Property – Strategic Coordination, Development and Control

The *Real Property Strategic Coordination, Development and Control* Program seeks to ensure that defence real property and the natural environment are managed, coordinated and overseen so that it is available for the production of ready force elements and the employment of multi-purpose combat capable forces as well as other Defence services. Results are achieved through planning, design, development, implementation, coordination, control, governance, performance management, reporting, relationship and partnership management, and advice services as they relate to defence real property in order to meet Defence readiness needs and to respond to the Federal Government agenda. The *Real Property Strategic Coordination, Development and Control* Program sustains Defence by directly enabling *Real Property Lifecycle* Program. Governance and advisory services also support the *Strategic Coordination, Development and Control* Program of the military personnel and organization, materiel and info systems capability elements as well as the *Operational Readiness Production Coordination and Command and Control* Program, the *Defence Capability Development and Research* Program, and the *Defence Services and Contributions to Government* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
25,556,991	32,571,568	7,014,576

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	20	18	(2)
Civilian	38	110	72
TOTAL	58	128	70

Performance Results

Expected Results	Performance Indicators	Targets	Actual Result
The strategic coordination, development and control of Defence real property meet the needs of Defence	% Defence Real Property score on the Coordination, Development and Control Performance Evaluation Index	80 - 100%	62.5%

Performance Analysis and Lessons Learned

Under this Program, the management and centralization of Defence real property has continued to evolve and improve. Through real property centralization, Defence Infrastructure and Environment has greater visibility on business processes, controls, risk identification and risk mitigation plans across the real property portfolio. Infrastructure and Environment transformation initiatives, including those associated with Defence Renewal, aimed at improving business processes and strategic coordination, are underway and are being

refined. Risks across the Defence real property portfolio are being determined and will be reported through the new governance structure. Management action plans, including risk mitigation, will continue to be developed and implemented where required. Over time, once the transformation initiatives have matured and capacity has been strengthened, it is anticipated that the strategic coordination and controls for the Defence real property portfolio, environment and aboriginal, will be improved.

In support of this Program and the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians**, Defence continued to **support Government efforts with the legal obligations to the Aboriginal People of Canada**.

- Defence Aboriginal Affairs Network actively engaged Defence officials to increase awareness of Aboriginal issues and exchange information to ensure Aboriginal obligations are addressed.
- The "Determining if there is Legal Duty to Consult Checklist" continues to be refined in conjunction with the associated policies assisted by the Defence Aboriginal Affairs Network active engagement and collaboration with senior Defence leadership.

In support of this Program and the organizational priority **Ensuring Defence Affordability**, Defence continued to **implement Defence Infrastructure Compliance Strategy.**

- Defence is in the process of developing and aligning the Infrastructure and Environment Compliance Oversight Strategy with the centralized portfolio management under a single custodian. This strategy supports making consistent and informed decisions specifically for the prioritization and risk management of compliance for architectural, fire protection, engineering, environmental and related legislation, and Government of Canada policies and agreements. More specifically, DND and CAF manage an architectural and engineering compliance sampling program, which evaluates and reports on the compliance of nine broad categories of engineering systems, across the portfolio, on a three year cycle. Results of the compliance sampling are provided to custodians for feedback and corrective action. Nuclear Safety has a well-established compliance program that ensures radiological safety for personnel and the environment. Fire service compliance reviews are conducted at all DND and CAF locations approximately every three years, with the objective of verifying that the local fire protection and respiratory protection programs are in compliance with 300 items published within departmental policies and standards. An environmental compliance strategy is being developed.

Under Defence Renewal, the Department continues to pursue opportunities for efficiencies to be gained as it centralizes the management of real property under a single authority. This includes strengthening the strategic coordination function in relation to managing Defence real property assets.

Sub-Program 4.4: Information Systems Lifecycle

The *Information Systems Lifecycle* Program seeks to ensure that the information systems infrastructure and applications are made available to the production ready force elements, capability development and research, and Defence services and to fulfill obligations of *Defence Combat and Support Operations, Defence Services and Contributions to Government*, and *Defence Capability Development and Research* activities. It ensures that the defence information systems infrastructure and applications capability elements are available in the quantity, mix and condition that enables the readiness and employment of multi-purpose combat capable forces and other Defence services. The Program oversees and delivers defence information systems infrastructure and applications, and the lifecycle management services provided to ensure the availability information systems and applications, including acquisition services, development and deployment services, system management and user support services, and the planning and governance of the Program. The authority for this Program is derived from the *National Defence Act*.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
693,731,305	801,431,686	107,700,381

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	1,355	1,317	(38)
Civilian	1,544	1,402	(142)
TOTAL	2,899	2,719	(180)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence information systems and applications are available in the quantity, mix, and condition that is suitable to Defence needs	% of time info system networks are available	90 - 100%	100%

Performance Analysis and Lessons Learned

The Department's Information Systems Lifecycle Portfolio is suitable and meets Defence operational requirements. The results are based on the continued availability of its operational systems and applications.

Defence continues to develop initiatives to deliver cost savings through the Defence Renewal Initiative in areas of Applications Portfolio Management, IT Service Management, and IT Governance.

Defence is a participant in the 2013-16 Federal Sustainable Development Strategy and contributes to Theme IV targets through the *Information Systems Lifecycle* Program. Please see the Departmental Sustainable Development Strategy[76] for details.

Sub-Sub-Program 4.4.1: Info Systems – Portfolio Management

The *Info Systems Portfolio Management* Program seeks to ensure that defence information systems infrastructure and applications are managed throughout their lifecycle so that the condition of Defence information system capability elements is suitable to Defence needs and made available for the production of ready force elements, capability development and research, and Defence services. It aims to ensure that command, control, communications, computer, intelligence, surveillance, and reconnaissance application solutions are secure and available in diverse locations where information continuity must be maintained across communication interruptions. This is accomplished through assessment services and identification and coordination for defence information systems acquisition, development, deployment, system management, user support services. The *Info Systems Lifecycle Management* Program sustains Defence by directly enabling the *Defence Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
245,288,460	246,338,578	1,050,118

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	92	89	(3)
Civilian	174	139	(35)
TOTAL	266	228	(38)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence information systems infrastructure and applications are available to meet the needs of Defence	% of DND Application Portfolio that is considered healthy	90 - 100%	80%

Note: 80 percent of the Defence application portfolio has been categorized to invest or tolerate. The remaining 20 percent will be reviewed for suitability and eliminated should they no longer meet Defence needs.

Performance Analysis and Lessons Learned

In support of this Program and to address the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians**, Defence advanced the following initiatives to **Provide an integrated and effective IM and IT environment in support of all Defence operations**:

- Defence is implementing cyber network operations policy, standing up cyber organizations that will protect Defence networks and initiating projects to deliver cyber Defence capabilities.

In support of this Program and to address the organizational priority **Ensuring Defence Affordability**, Defence advanced the Application Portfolio Management initiative. At the close of FY 2014-15:

- Defence neared the completion of the application inventory across the CAF and identified mission critical and essential applications. Moving forward, sustainment plans will be developed while the rationalization of duplicate and non-essential applications continues. Application rationalization roadmaps will be developed to assist with future retirement of additional end of life applications.

Sub-Sub-Program 4.4.2: Info Systems – Acquisition, Development and Deployment

The *Info Systems Acquisition, Development and Deployment* Program seeks to expand or enhance the defence secure information systems infrastructure and applications portfolio by delivering acquisition, development and deployment services to meet defence command, control, communications, computer, intelligence, surveillance, and reconnaissance needs. Results are achieved through acquisition project development and management services, development project development and management services, testing services, and deployment services. The *Info Systems Acquisition, Development and Deployment* Program sustains Defence by directly enabling the *Info Systems Portfolio Management* Program which in-turn provides the materiel elements of Defence capabilities for the *Defence Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
160,997,860	175,506,480	14,508,620

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	125	114	(11)
Civilian	452	427	(25)
TOTAL	577	541	(36)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The secure Defence information systems portfolio is augmented to meet Defence interoperability needs	% Info Systems Capital Projects on Schedule (original timeline)	85 - 100%	89%
	% Info Systems Capital Projects on Schedule (adjusted timeline)	85 - 100%	89%
	% of Info Systems projects requiring Senior Management attention	4%	0%

Performance Analysis and Lessons Learned

In support of this Program and to address the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians** Defence sought to **Develop and implement initiatives to integrate security management into departmental operations:**

- Defence replaced the Certification and Accreditation Program with the Security Assessment and Authorization Program, which is now being applied for all new IM and IT Systems. Steps are being taken to migrate IM and IT systems currently in their operations and maintenance phase to the new Program.
- Defence further improved information systems security through development of the National Defence Security Orders and Directives which encapsulate IT security policy.

In support of this Program and to address the organizational priority **Ensuring Defence Affordability**, Defence advanced the initiative to **Implement Defence Renewal.**

- With a focus on IM/IT procurement controls, Defence developed optimized procurement vehicles that are expected to generate cost savings in FY 2015-16. Defence also plans to revise the procurement process for distributed computing assets and is developing a supporting formalized policy instrument; the target for dissemination is in FY 2016-17.

Sub-Sub-Program 4.4.3: Info Systems – System Management and User Support

The *Info Systems - System Management and User Support* Program aims to provide Defence information system management and user support in a timely manner and in the required location to produce ready force elements, conduct operations, and deliver Defence services. Results are accomplished through the delivery of divestment, problem resolution support, training, and system support services. The *Info Systems - System Management and User Support* Program sustains Defence by directly enabling the *Info Systems Portfolio Management* Program, *Defence Ready Force Element Production* Program, the *Defence Services and Contributions to Government* Program, and the *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
186,514,223	218,916,017	32,401,794

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	880	888	8
Civilian	758	729	(29)
TOTAL	1,638	1,617	(21)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence information systems and user support are available as required to meet the needs of Defence	% Canadian Forces Network Operations Centre tickets resolved within Service Level Agreement standard	90 - 100%	89.5%

Performance Analysis and Lessons Learned

The Canadian Forces Network Operations Centre resolved 641 of 716 tickets within the Service Level Agreement standard.

In support of this Program and to address the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians**, Defence sought to **develop and implement initiatives to integrate security management into departmental operations**:

- Defence advanced the renewal of its IM/IT Security policies and standards with a view to ensure networks continue to be secure, available, and accessible when needed.

In support of this Program and to address the organizational priority **Ensuring Defence Affordability**, Defence advanced activities to **Implement Defence Renewal**:

- With active cooperation across the Department, 929 applications were retired within the Defence application portfolio.
- Defence furthered work to implement a common toolset and IT service catalogue and to consolidate Regional Service Management Centres (RSMC) including detailed planning for the lead RSMC in Halifax, Nova Scotia and the RSMC in the National Capital Region.

Sub-Sub-Program 4.4.4: Info Systems – Strategic Coordination, Development and Control

The *Info Systems Strategic Coordination, Development and Control* Program seeks to ensure that Defence information systems and applications are secure, managed, coordinated and overseen so that they are available for the production of ready force elements and the employment of multi-purpose combat capable forces as well as other Defence services. Results are delivered through planning, design, development, security assessment, implementation, coordination, control, governance, performance management, reporting, relationship and partnership management, and advice services as they relate to defence information systems and applications. The *Info Systems Strategic Coordination, Development and Control* Program sustains Defence by enabling the *Information Systems Lifecycle* Program. Governance and advisory services also support the *Strategic Coordination, Development and Control* Program of the military personnel and organization, materiel, and real property capability elements as well as the *Operational Readiness Production Coordination and Command and Control* Program, and the *Defence Services and Contributions to Government* Program, and *Defence Capability Development and Research* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
100,930,762	160,670,611	59,739,849

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	258	226	(32)
Civilian	160	107	(53)
TOTAL	418	333	(85)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The strategic coordination, development and control of Defence information systems and applications meet Defence needs	% Defence Info Systems score on the Coordination, Development and Control Performance Evaluation Index	80 - 100%	75%

Performance Analysis and Lessons Learned

Defence's Information Management Group continued to integrate risk in the business planning process. Risk and uncertainties were reviewed, as a minimum, once during the year. Mitigation plans existed for major areas of concern particularly those linked to Defence priorities, or as a result of audits or reviews. Mitigation plans for most risk areas were implemented as required. Progress follow-up was briefed to the executive on an as required basis.

In support of this Program and to address the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians**, Defence advanced initiatives to **Provide an integrated and effective IM and IT environment in support of all Defence operations:**

- Through policy, standards and direction, as well as developing new capabilities in the cyber environment, Defence strengthened the ability to defend its networks.
- A Command, Control, Communication, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) Governance Strategy was implemented to help address the capability development issues initially raised by the Office of the Auditor General report in 2005 concerning a lack of coordination of the overall C4ISR program. This Governance Strategy aligns with the extant Defence Capability Board Governance Framework and the newly instituted Force Development Forum. The resulting C4ISR - info Systems Coordination Mechanism will help to ensure that such systems are developed in a coherent manner across the CAF.
- A new Defence IM and IT Concept of Operations document was not produced as planned; however, this will be addressed once IM and IT governance is endorsed through the Defence Renewal initiative.

In support of this Program and to address the organizational priority **Ensuring Defence Affordability**, Defence continued to **Implement the transition to Shared Services Canada:**

- Defence continued to strengthen and further develop its relationship with Shared Services Canada to ensure that departmental IM and IT priorities are clearly articulated so Defence's needs are well understood and met.

In support of this Program and to address the organizational priority **Ensuring Defence Affordability**, Defence sought to advance the initiative to **Implement Defence Renewal**.

- IM/IT governance renewal incurred timeline changes to permit for the development of more granular plans. This initiative is influenced by coordination efforts with the Defence Renewal Lean Headquarters initiative. To move this initiative forward, Gartner Consulting delivered their initial study – a milestone in the development of a plan to deliver a cohesive IM/IT programme, including refined IM governance.

Program 5.0: Defence Capability Development and Research

The *Defence Capability Development and Research* Program seeks to provide the analytical bases and knowledge to anticipate foreseeable changes in the threat and security environment and to determine the associated demand for Defence capabilities across near- and long-term time horizons in order to enable evidence-based strategic decisions that align the introduction, modification and divestment of Defence capabilities and guide the application of existing capabilities with an acceptable levels of risk. Results are achieved by: establishing and monitoring the fulfillment of near-term targets for readying force elements and conducting Defence operations; identifying lessons from past operations; assessing defence and security trends; developing and integrating new knowledge and systems/methods for conducting operations; developing approaches and conducting Defence capability analyses at strategic, operational and tactical levels; present to future capability assessments; designing and assessing defence alternatives; providing Defence capability oversight and expertise; and Defence capability use planning for sustainable Defence capabilities in future time horizons. As such, this Program sustains Defence by providing key products and services to the *Defence Capability Element Production* Program, the *Defence Ready Force Element Production* Program and parts of the *Defence Combat and Support Operations*, and *Defence Services and Contributions to Government* Programs. This Program also directly enables the management and oversight of Defence as a whole.

2014-15 Budgetary Financial Resources (dollars)

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (actual minus planned)
326,339,123	326,339,123	381,089,627	462,489,089	136,149,966

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	840	788	(52)
Civilian	1,484	1,381	(103)
TOTAL	2,324	2,169	(155)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Defence stakeholders are aware of risks pertaining to the introduction, preparation, application, modification and divestment of Defence capabilities in both the near- and long-term horizons	% score on the Defence Capability Development and Research Evaluation Index	81 - 100%	90%

Performance Analysis and Lessons Learned

The Force Capability Guidance (FCG) was endorsed and constitutes strategic guidance to Commanders for force development priorities. It does so by broadly outlining CAF capability requirements in terms of specific capabilities, which are then translated into resources (people, money, and time) in the Investment Plan and the Multi-Year Establishment Plan. The FCG is a document that will be adjusted either based on Defence policy changes or fresh data from scenario assessments. Currently, it is envisaged that this document could be refreshed as required to inform senior leader discussions as to the future form of the CAF.

Sub-Program 5.1: Capability Design, Development and Integration

The *Capability Design, Development and Integration* Program provides focused expertise to develop and introduce new capabilities, develop new knowledge, integrate knowledge from internal and external sources, develop new concepts, innovate ways to provide competitive advantage to military operations, and enhance the effectiveness of Defence programs. Results from this Program are accomplished by: developing, demonstrating, testing and evaluating advanced systems and technologies and integrating these and other scientific research into Defence programs; identifying lessons from on-going and historical operations; producing new concepts and doctrine; designing and assessing alternative capabilities; providing planning, oversight and expertise for the introduction and divestment of capabilities; and developing analyses to enable evidence-based decisions concerning the selection and effective use of capabilities at strategic, operational and tactical levels. The products and services from this Program sustain Defence by directly enabling the *Strategic Direction and Planning Support* Program. They also enable aspects of the *Defence Capability Element Production* Program, the *Defence Ready Force Element Production* Program, and the Programs that deliver *Defence Combat and Support Operations* as well as *Defence Services and Contributions to Government.*

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
305,548,337	385,285,335	79,736,999

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	755	708	(47)
Civilian	1,432	1,312	(120)
TOTAL	2,187	2,020	(167)

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Plans which make adjustments to the elements of Defence capability are established, aligned and monitored	% score on the Capability Design Development and Integration Evaluation Index	81 - 100%	90%

Performance Analysis and Lessons Learned

Chief Force Development reviewed existing concepts, consolidated key objectives and produced a revised C4ISR operating concept and a new Joint Intelligence, Surveillance & Reconnaissance (ISR) operating concept. These concepts build on past experience, operational lessons and sustained engagement with Allies in operations, exercises, and experimentation activities.

Sub-Sub-Program 5.1.1: Capability Design and Management

The *Capability Design and Management* Program oversee the execution of activities that conceive, design, develop and introduce new or modify existing Defence capabilities which provide the ability to achieve a desired effect during the execution of a defence operation or the delivery of a Defence service. Defence capabilities are formed of various combinations of force elements, the entities that execute the tasks to achieve desired effects during an operation. This Program applies system-of-systems approaches to describe, analyse, design, and manage each individual capability as a system of capability elements (i.e., military personnel, materiel and information systems, information, and real property) which must be suitably integrated in order to produce new or enhanced force elements. Results are achieved through the oversight of Defence capability requirements specification, conception, and design; and the oversight and coordination of individual capability elements delivery and process specification for force element integration. This Program sustains Defence by directly enabling the *Strategic Capability Planning Support* Program and the lifecycle management Programs responsible for the production, maintenance, and retirement of Defence capability elements. It also influences the *Operational Readiness Production, Coordination and Command and Control* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
50,726,977	72,419,483	21,692,506

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	279	250	(29)
Civilian	45	14	(31)
TOTAL	324	264	(60)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Options to modify Defence capabilities in order to fill individual capability gaps are produced	% score on the Capability Design and Management Evaluation Index	81 - 100%	90%

Performance Analysis and Lessons Learned

In support of this Program and the organizational priority **Strengthening the Defence Team**, Defence **advanced a comprehensive plan to optimize the military and civilian workforce**:

- Continued to develop the processes for a Multi-Year Establishment Plan that validates and prioritizes military and civilian personnel requirements based on current and future known manning pressures associated with joint and common defence requirements and the force development of new or emerging capabilities.

Sub-Sub-Program 5.1.2: Concept, Doctrine Development and Warfare Experimentation

The *Concept, Doctrine Development and Warfare Experimentation* Program seeks to achieve predictability and reliability of performance and thereby realize enhanced opportunities for success and reduce the risk of failure when delivering Defence operations and services. Results are achieved by this Program through conception, development, and testing of the principles, methods and approaches that in-turn become the concepts, doctrine and standards that guide how tasks should be performed at the strategic, operational and tactical levels during the delivery of *Defence Combat and Support Operations* and *Defence Services and Contributions to Government*. Innovations in the development and assessment of new concepts and doctrine are enabled through military experimentation services and related modelling and simulation services. Fundamental to this Program is the delivery of services that provide for the collection, analysis, synthesis and distribution and integration of lessons learned from past operations. The products and services provided by this Program sustain Defence by directly enabling the *Capability Design and Management* Program and the *Overarching Command and Control of Domestic and International Operations* Program. This Program is also a key enabler to the *Operational Readiness Production, Coordination and Command and Control* Program.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
64,116,183	77,823,794	13,707,611

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	372	366	(6)
Civilian	53	52	(1)
TOTAL	425	418	(7)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Operational concepts and doctrine improve agility during the introduction, preparation and application of Defence capabilities	% score on the State of Concept and Doctrine Evaluation Index	81 - 100%	53%
Experimental testing determines the suitability of new military concepts, doctrine, methods and systems for Defence needs	% score on the Warfare Experimentation Quality and Impact Evaluation Index	81 - 100%	100%
Lessons learned from past operations are integrated to improve agility during the introduction, preparation and application of Defence capabilities	% score on the Lessons Learned Quality and Impact Evaluation Index	81 - 100%	79%

Performance Analysis and Lessons Learned

Performance for the *Concept, Doctrine Development and Warfare Experimentation* Program was assessed against the goal of achieving 81 percent success against three evaluation indexes. The State of Concept and Doctrine Evaluation Index result indicates a reduced output. This is due to personnel shortages experienced in the doctrine cell during the fiscal year, competing priorities for pan DND/CAF subject matter experts contributing to doctrine, and changes in policy causing doctrine undergoing update to become outdated prior to publication. The Lessons Learned Quality and Impact Evaluation Index focus is solely on efforts through the Canadian Forces Warfare Centre. Actual results indicate further work is required to fully integrate lessons learned efforts across Defence.

In support of Program Expected Results and the organizational priority **Ensuring Defence Affordability**, Defence **implemented Defence Renewal** initiatives to develop simulation and synthetic environment capabilities with a view to improve joint capability development and training effectiveness. These initiatives included:

- Producing the RCAF Simulation Strategy 2025 and establishing an implementation project;
- Developing the capability for networking key RCAF, RCN, and CA simulation assets; and
- Advancing contracting for the implementation of significant joint synthetic training optimization activities.

In further support of the Program's Expected Results, Defence completed the roll out of the SMaRT database that will enable better decision-making support by mapping readiness capability and linking force posture and readiness output with departmental resource allocation processes.

Sub-Sub-Program 5.1.3: Science and Systems Development and Integration

The *Science and Systems Development and Integration* Program aims to develop and synthesize new knowledge and integrate advancements in science, systems and technology to provide a competitive advantage in military operations and enhance the effectiveness of other defence programs. It also seeks to synthesize information and develop methods and analyses to enable evidence-based decisions concerning the effective use of Defence capabilities and improvements to the delivery of defence programs at strategic, operational and tactical levels across current and future time horizons. Results are achieved by this Program through: the conduct of basic research using scientific methods, the delivery of advanced systems and systems concepts; the testing and evaluation of existing systems and technologies; human systems integration; the development of advanced analyses; and the integration of science into other defence programs. The innovations and advancements in science, systems and technology that are delivered by this Program sustain Defence by enabling the *Capability Design and Management* Program, the *Concept Doctrine Development and Warfare Experimentation* Program, and in some cases, the *Overarching Command and Control of Domestic and International Operations* Program. The products and services provided by this Program for the purpose of evidence-based decision making sustain Defence by enabling each of the sub-programs within *Defence Capability Development and Integration* Program as well as the *Coordination and Command and Control* programs that govern delivery of: *Defence Combat and Support Operations*; *Defence Services and Assistance to Government*; *Defence Ready Force Element Production*; and *Defence Capability Element Production*. This Program also directly supports the management and oversight of Defence as a whole.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
190,705,176	235,042,059	44,336,882

Note: The difference is due primarily to the underestimation of planned spending for this Program.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	104	92	(12)
Civilian	1,334	1,246	(88)
TOTAL	1,438	1,338	(100)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Bodies of knowledge, technologies and systems are explored, developed and integrated to realize enhanced levels of agility during the preparation and application of Defence capabilities	% score on the Development and Integration Evaluation Index	80 - 100%	80%
Strategic and operational decisions that affect the agility of Defence are evidence based and informed by analytical methods, models and tools	% score on the Exploitation of Advice and Knowledge Evaluation Index	80 - 100%	81%

Performance Analysis and Lessons Learned

Performance for the Science and Systems Development and Integration program was assessed against the goal of achieving 80 percent success against three internal and two external (client feedback) project-level key indicators. Actual internal performance achieved was scope (83 percent), schedule (82 percent), and budget (75 percent). Actual external performance achieved was scope (86 percent) and schedule (85 percent). This is the first reporting period to include external performance indicators. High client satisfaction can be attributed, in part, to a new program formulation process which has enhanced alignment with the priorities of Defence stakeholders.

To **provide an integrated and effective IM and IT environment in support of all Defence operations** and address the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians**, the Automated Cyber Defence Capability (ACDC) initiative was provisionally approved as a significant new investment for proactively dealing with cyber vulnerabilities and mitigating attacks in near real-time. The goal of ACDC is to develop a complete cyber defence capability for the CAF that would reduce timescales for decision making, thus enabling a more rapid response to cyber threats. ACDC will significantly leverage enhanced mutual reliance with 5-Eyes partners. This investment will be distributed among three existing projects. A component of ACDC will be incorporated into the Cyber Capability Development Centre project which is to move from the definition to implementation phase in FY 2016-17.

To **Exercise Arctic sovereignty** and further support the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians**, the CAF Joint Arctic Experiment 2014[77] was conducted from August 18 to 26 at Canadian Forces Station Alert. The experiment brought together members of the CAF and scientists from Defence Research and Development Canada to test unmanned systems technology in arctic conditions and demonstrate how it can be used to support future CAF operations in the North. The results of all the experiments conducted during 2014 supports the CAF, Environment Canada, the Royal Canadian Mounted Police, Public Safety Canada partners, United States Northern Command and other allies.

Other highlights for FY 2014-15 include, the successful testing of newly developed countermeasures and surveillance techniques making Canada the only known country to have the capacity to counter laser beam rider threats against ships. The Royal Canadian Navy expressed very strong support for the continued development of this capability in support of increasing the survivability of naval ships against optically-assisted threats in littoral environments and in the open ocean. Future deployment of a prototype, as a prelude to fleet-wide exploitation, is being considered. The technology has also shown potential applications in the areas of ice detection for ships and long range laser communications, as well as having potential applications in both the Land and Air environments. Work is underway to seek an extension of the activity to include countering laser target designators.

Sub-Program 5.2: Strategic Direction and Planning Support

The *Strategic Direction and Planning Support* Program aims to identify the strategic demand for Defence capabilities and to enable strategic decisions and the development of strategic direction concerning the corresponding use of available resources to: apply and maintain existing capabilities; introduce new or modified capabilities; and divest of surplus capabilities with acceptable levels of risk across near- and long-term time horizons. In the near-term, a quantifiable relationship is established between Government and strategic direction, ongoing and contingency operations requirements and performance, defence roles, and readiness targets in order to align force element production resources. In the long-term, challenge areas that may require changes to the Defence capability and program portfolios are established. Results are achieved through monitoring, threat and security environment analysis, change requirement identification, trend synthesis, portfolio challenge identification, and portfolio alteration approach formulation and assessment. This Program sustains Defence by directly enabling the *Defence Ready Force Element Production* Program, the *Defence Capability Element Production* Program, the *Defence Capability Development and Research* Program, and the management and oversight of Defence as a whole.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
20,790,786	77,203,754	56,412,968

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	85	80	(5)
Civilian	52	69	17
TOTAL	137	149	12

Note: Due to rounding, figures may not add up to total shown.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Plans that align the supply and demand for Defence capabilities in near-, mid-, and future-time horizons are established and monitored	% score on the Future Capability Planning Strategic Direction and Planning Support Evaluation Index	81 - 100%	50%
	% score on the Force Posture and Readiness Strategic Direction and Planning Support Evaluation Index	81 - 100%	70%

Performance Analysis and Lessons Learned

Program performance was based on two evaluation indexes assessing the future capability and force posture and readiness (FP&R) strategic direction.

Future Capability Guidance (FCG) was issued by the Chief of the Defence Staff. The Capability Based Planning final report and FCG are being used to justify investment, divestment or sustainment of capabilities. Implementation of a performance management strategy to track progress against the FCG remains to be developed.

In FY 2014-15, FP&R activities were described and characterized CAF readiness output in sufficient detail to provide adequate direction to Defence organizations to support RCN, CA and RCAF-led readiness activities. Ongoing efforts to refocus FP&R direction and improve readiness data collection will provide better decision-making support in FY 2015-16.

Sub-Sub-Program 5.2.1: Strategic Capability Planning Support

The *Strategic Capability Planning Support* Program provides the analyses that determine the overarching portfolio of all capabilities that will be required to successfully defend Canada and promote Canadian interests in future time horizons. This is accomplished through the assessments of Defence policy, direction from the Government of Canada, the external environment, internal performance, the strategic threat environment and the envelope of available resources. Modifying the capability portfolio typically requires decisions and precursor initiatives to take place in near-term time horizons and these are either initiated or facilitated by this Program. Results are achieved by this Program through activities that: identify required military effects; determine the capabilities needed to generate these effects; assess current and planned capabilities of defence against these needs; oversee the conception of possible approaches to mitigate capability shortfalls and reduce capability surpluses; facilitate decisions to determine which approaches are to be pursued; and develop high-level plans to enable and align programs that will deliver new capabilities and divest existing capabilities. The products and services provided by this Program sustain Defence by directly enabling the *Capability Design and Management* Program, as well as the *Concept, Doctrine Development and Warfare Experimentation* Program and the *Science and Systems Development and Integration* Program. Additionally, the broad evidence-based analyses provided by this Program directly enable the strategic management and oversight of Defence as a whole. This Program also has secondary influence on the co-ordination, development and control programs that govern the lifecycles of the capability elements.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
17,886,167	75,119,761	57,233,594

Note: The difference is due to an increase in actual spending for CAF intelligence.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	64	61	(3)
Civilian	52	69	17
TOTAL	116	130	14

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Awareness of expected differences between the supply and demand across the portfolio of Defence capabilities is established for mid- and long-term horizons	% score on the Strategic Capability Planning Support Evaluation Index	81 - 100%	68%

Performance Analysis and Lessons Learned

Program performance was based on an evaluation index assessing three expected outcomes for strategic capability planning support. The aggregate result for all three of these outcomes equated to a sum total of 68 percent which fell outside of the target threshold of 81 to 100 percent. The key determinant in not achieving the threshold is that leadership had not yet had the opportunity to draft and implement a plan to address the resource shortfall identified through the annual Capital Investment Program Plan Review. It is anticipated this performance result will improve once departmental direction is provided with respect to available resources versus anticipated capability demand.

In support of Program Expected Results and the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians** in order to **provide an integrated and effective IM and IT environment in support of all Defence operations,** Defence issued

an initiating directive to establish Defensive Cyber Operations and continues to develop the capability in consultation with other government departments.

In further support of the Program and the organizational priority **Ensuring Defence Affordability** in order to **improve investment planning and management to balance CFDS requirements**, Defence provided a life-cycle cost estimate for the Future Fighter Capability that has been independently verified by third-party audit firms. The same life-cycle framework is now being institutionalized across all major capital projects.

In further support of this Program, in FY 2014-15 the Defence Engagement Program (DEP) awarded 26 grants to academic institutions and think tanks across Canada and abroad, and engaged ten experts on key defence policy issues through its Expert Briefing Series. The DEP is a $500,000 per year program with a mandate to support a strong Canadian knowledge base on contemporary security and defence issues that is relevant to Canadian defence policy and capable of informing, confirming, and/or challenging the Department's policy thinking.

Sub-Sub-Program 5.2.2: Strategic Force Posture Planning Support

The *Strategic Force Posture Planning Support* Program aims to maintain the sustainability of Defence's Force Posture towards the achievement of Government of Canada expectations for Defence operations. Force Posture is a collective term used by Defence to characterize the balance in the operational state of force elements within Defence's portfolio. Force elements may be in one of three operational states. They are either delivering Defence operations or services, ready to respond to operational contingencies, or in a state of reduced readiness. Readiness, which is an intrinsic part of Force Posture, refers to the capability, responsiveness, quantity and endurance requirements that force elements must meet in order to improve the potential for success and reduce undue risks when they are employed on operations. A balanced Force Posture, including the achievement of readiness targets, must be maintained to achieve effectiveness in the delivery of Defence operations and services across time. This Program establishes and manages the adjustment of near-term Force Posture and readiness targets and provides a bridge to longer-term capability planning. Results are achieved through monitoring, analysis and planning based on strategic direction as well as risk and opportunity assessments. The *Strategic Force Posture Planning Support* Program sustains Defence by directly enabling the *Overarching Command and Control of Domestic and International Operations* Program, the *Operational Readiness Production, Coordination and Command and Control* Program, and the management and oversight of Defence as a whole.

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
2,904,619	2,083,993	(820,626)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	21	19	(2)
Civilian	0	0	0
TOTAL	21	19	(2)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Awareness of the expected differences between the supply and demand for existing Defence capabilities is established for the near- and mid-term horizon	% score on the Strategic Force Posture Planning Support Evaluation Index	81 - 100%	75%

Performance Analysis and Lessons Learned

The force posture and readiness process to capture and communicate readiness information was sufficient to provide CAF readiness assessments in FY 2014-15. Improvements to enable robust analysis and recommendations are required. Continued FP&R development throughout the year should yield significant improvements in FY 2015-16.

In support of Program Expected Results and the organizational priority **Ensuring Defence Affordability**, Defence **implemented Defence Renewal** initiatives to align mandated missions to CAF force posture and readiness (FP&R) so as to establish a link between FP&R requirements and resource expenditure.

- Defence continued to develop the FP&R cost capturing process as well as an alignment with the business planning process. An established link between FP&R and resource expenditure by Program will permit more efficient allocation of resources pertaining to readiness.

Program 6.0: Internal Services

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. These groups are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; Acquisition Services; and Other Administrative Services. Internal Services include only those activities and resources that apply across an organization and not to those provided specifically to a program.

2014-15 Budgetary Financial Resources (dollars)

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (authorities used)	Difference (actual minus planned)
437,571,998	437,571,998	450,261,906	474,820,024	37,248,027

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	649	521	(128)
Civilian	2,187	2,446	259
TOTAL	2,836	2,967	131

Note: Due to rounding, figures may not add up to total shown.

Sub-Program 6.1: Management and Oversight

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
91,309,677	101,514,534	10,204,857

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	371	281	(90)
Civilian	484	504	20
TOTAL	855	785	(70)

Note: Due to rounding, figures may not add up to total shown.

Performance Analysis and Lessons Learned

Work on the **renewal of the *Canada First* Defence Strategy** is ongoing and is closely aligned with the organizational priority **Maintaining Required CAF Posture and Defence Readiness**, in order to ensure the CAF is positioned to meet Government of Canada direction in an evolving security context.

In support of this Program and to address the organizational priority **Ensuring Defence Affordability**, Defence sought to advance the initiatives to **Implement Defence Renewal**.

FY 2014-15 highlights include:

- The Project Approval Process Renewal completed a detailed study of the approval process to meet their mandate of "twice the project throughput in half the time". Defence negotiated with the Treasury Board Secretariat a new protocol for a less time-consuming way ahead to streamline less complex projects within the Minister of National Defence's authority, and a phased implementation strategy is in the process of being staffed.
- Enhanced understanding of strategic intent, improved governance and communicated to the Defence Team so that strategic intent and the goals and priorities that flow from it are clearly articulated and commonly interpreted:
  - To enhance performance-based decision making, a draft performance measurement strategy was developed and a dedicated performance data collection tool was launched in March 2015 and was used to collect data for the 2014-15 Annual Performance Review.
  - To encourage and leverage front-line innovation, *The Innovators* profile series was launched to highlight contributions of Defence Team members. A comparative study of innovation initiatives - based on a review of existing Defence, Government and private sector efforts - was completed and three possible approaches to innovation were identified. A task group has been formed to further examine options before a proposal on the way ahead is passed to senior leadership.
  - The policy and procedure continuous improvement initiative continued its efforts to reduce unnecessary bureaucracy and administration. The *Defence Administrative Orders and Directives* (DAODs) continue to undergo a comprehensive review using a new streamlined process that has reduced DAOD development time by 33 percent. The review of the DAOD collection and the cancellation of the CFAO collection are progressing slower than expected. Work will continue in an effort to meet targets and to further all initiative milestones.
  - For the world-class knowledge sharing: Defence conducted a comparative study of the attributes and enablers of world-class knowledge sharing organizations and produced a roadmap of options for the way ahead.
  - The Defence Youth Network's #Ideation series originated a new video-cast library initiative. This centralized departmental video library to share knowledge and information by academic experts, senior leaders, and innovators represents an opportunity to explore technology-enabled knowledge sharing practices.
  - Defence conducted a comprehensive and inclusive review of Accountabilities, Responsibilities, and Authorities of the senior leadership and all organizations. This initiative seeks to optimize spans of control to the appropriate levels, to minimize costs, and to improve business agility and efficiencies.

- In support of this Program and the organizational priority **Ensuring Defence Affordability**, an internal study of business intelligence capabilities was initiated to inform future investments and developments within the Defence Resource Management Information System.

In further support of the Program,

- In July 2014, the Department provided to Treasury Board Secretariat (TBS) the annual Department of National Defence Submissions Forecast which covered the period of July 2014 to June 2015. The intent of the annual Submissions Forecast letter, now planned to be issued in September of each year, is to ensure that TBS is aware and informed on Department of National Defence projects and submissions coming forward throughout the year, and focusses departmental resources on approved priorities in order to increase efficiencies in the submissions process.
- Security Awareness materials were issued to the Defence Team (approximately 130,000 personnel) in an effort to continually improve the quality and deepen the scope of security awareness. The Government-wide Online Security Awareness Tool was instituted on DND Learn and, to date, approximately 34,000 personnel have completed the mandatory on-line training.

Sub-Program 6.2: Communications

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
16,513,729	16,447,943	(65,787)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	47	40	(7)
Civilian	115	78	(37)
TOTAL	162	118	(44)

Note: Due to rounding, figures may not add up to total shown.

Performance Analysis and Lessons Learned

Defence conducted initiatives to **support Government efforts for commemoration of important anniversaries** and meet the organizational priority **Ensuring Sustainable Operational Excellence Both at Home and Abroad for the Defence of Canada and the Protection of Canadians.**

- Operation DISTINCTION includes a Public Affairs component for providing strategic oversight and support to commemoration events. In FY 2014-15, this support included strategic communications planning, interdepartmental liaison, and support in such areas as outreach, marketing, exhibits, media analysis, and imagery for commemoration events.
- Defence produced the DND and CAF Strategic Public Affairs Plan 2014-2016, which includes commemoration as a public affairs priority.

Sub-Program 6.3: Legal Services

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
34,641,168	31,224,621	(3,416,547)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	18	18	0
Civilian	27	21	(6)
TOTAL	45	39	(6)

Note: Due to rounding, figures may not add up to total shown.

Sub-Program 6.4: Human Resources Management

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
90,976,171	105,804,041	14,827,870

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	3	5	2
Civilian	900	884	(16)
TOTAL	903	889	(14)

Note: Due to rounding, figures may not add up to total shown.

Performance Analysis and Lessons Learned

To address the organizational priority **Ensuring Defence Affordability**, Defence advanced the **Defence Renewal** initiative to review Civilian HR Management.

- Defence progressed the alignment of HR planning, programmes, and operational service delivery to better support the Defence Team.

To address the organizational priority **Strengthening the Defence Team**, Defence sought to **advance comprehensive plan to optimize the military and civilian workforce, maximize military and civilian potential by continuing to strengthen leadership capacity through succession planning, continuous learning and professional development**, and **implement Public Service Renewal action plan aligned with the Clerk of the Privy Council's priorities**.

- Defence promulgated streamlined functional planning guidance in order to align more closely with the business planning process, focus attention on best practices, and realign the workforce to priorities as defined by resource allocation through the business planning process.
- Defence continued to implement pay consolidation and modernization. The Public Works and Government Services Pay Centre is managing approximately 6,150 Defence employee pay accounts with more than 20,740 accounts remaining to be transferred in December 2015.

- On 7 June 2013, the Clerk of the Privy Council announced the Blueprint 2020 (BP2020) initiative, which arose from and replaces Public Service Renewal reports for the foreseeable future. Defence progressed the following initiatives in support of Blueprint 2020 during FY 2014-15:
  - Technology: The IM/IT 2020 Tiger Team began a review of the existing IM/IT capabilities and how they can be better employed; and
  - Innovative Practices and Networking:
    - Operation ASPIRE: Two initiatives were selected for investigation and potential for departmental implementation: digital signatures and a departmental podcast library; and
    - The Innovators: A new profile series that showcases civilian and military members of the Defence Team who have taken their ideas to the next level.
- Staffing of mental health positions continues to be a high priority. As of 31 March 2015, Defence staffed 94.2 percent of all mental health positions (both civilian and military). Vacancy rates continue to be monitored on a monthly basis and actioned with high priority.
- Defence implemented the Directive on Performance Management for Employees with a 94.3 percent completion rate; additional resources in talent management were promulgated to managers and employees ensuring alignment between performance, talent management, and learning and development.
- As of March 2014, Defence was 100 percent compliant with the Office of the Chief Human Resources Officer expectation of the Common Human Resources Business Process Implementation. Defence has been identified as a candidate for MyGC HR (HRMS 9.1) upgrade. Achievement of the Civilian Human Resources Capability Transformation project identification phase was completed early in FY 2015-16 with a forecast Full Operational Capability of PeopleSoft 9.1 in FY 2018-19.

Sub-Program 6.5: Financial Management

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
30,843,516	27,789,539	(3,053,977)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	85	67	(18)
Civilian	301	262	(39)
TOTAL	386	329	(57)

Note: Due to rounding, figures may not add up to total shown.

Performance Analysis and Lessons Learned

In support of the organizational priority **Ensuring Defence Affordability**, Defence sought to **improve investment planning and management to balance CFDS requirements.**

- Defence produced an updated departmental Investment Plan enhancing long term financial flexibility to provide an affordable, sustainable, and achievable management framework in support of the *Canada First* Defence Strategy commitments.
- Defence integrated its investment plan information databases and developed more robust Investment Plan change management and governance processes to provide improved analytical capability over the financial management of departmental investment planning.

Sub-Program 6.6: Information Management

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
11,765,719	30,970,460	19,204,741

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	46	44	(2)
Civilian	79	166	87
TOTAL	125	210	85

Note: Due to rounding, figures may not add up to total shown.

Performance Analysis and Lessons Learned

- To meet the Treasury Board Secretariat's milestones for departmental alignment with the Government of Canada web renewal initiative, Defence completed the first steps towards Canada.ca migration, including the implementation of the Department's institutional profile page and several high-level navigation pages within the national security and defence theme on Canada.ca. Defence also completed and submitted the web renewal initiative content inventory.
- Until GCDocs has been rolled out to the Department, the TBS *Directive on Recordkeeping*[78] continues to be addressed by using a risk-based strategy towards achieving compliance. Annual planned recordkeeping targets continue to be achieved.

Sub-Program 6.7: Information Technology

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
15,028,357	7,716,709	(7,311,648)

Note: The difference is due to the overestimation of planned spending in this Sub-Program.

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	34	31	(3)
Civilian	12	26	14
TOTAL	46	57	11

Note: Due to rounding, figures may not add up to total shown.

Performance Analysis and Lessons Learned

In support of the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians,** Defence advanced initiatives to **provide an integrated and effective IM and IT environment in support of all Defence operations:**

- A revised Defence IM/IT business planning process was developed in mid-year 2014-15 and implementation began in January 2015. This revised process will better inform the FY 2016-17 planning process.

In support of the organizational priority **Ensuring Sustainable Operational Excellence both at Home and Abroad for the Defence of Canada and the Protection of Canadians** Defence sought to **develop and implement initiatives to integrate security management into departmental operations**:

- Defence further improved information systems security through development of the National Defence Security Orders and Directives which encapsulate IT security policy.

Though not fully completed, the migration to the Windows 7 operating system desktop environment was successful. At the end of FY 2014-15, deployment cross the Department was over 92 percent complete. It is anticipated complete migration will be achieved within FY 2015-16.

Sub-Program 6.8: Real Property

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
84,415,818	23,498,149	(60,917,670)

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	45	35	(10)
Civilian	37	72	35
TOTAL	82	107	25

Note: Due to rounding, figures may not add up to total shown.

Sub-Program 6.9: Materiel

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
47,475,082	53,181,338	5,706,256

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	0	0	0
Civilian	3	286	283
TOTAL	3	286	283

Note: Due to rounding, figures may not add up to total shown.

Performance Analysis and Lessons Learned

In support of the organizational priority **Ensuring Defence Affordability**, Defence successfully progressed several initiatives to modernize inventory management programs in an effort to **continue to strengthen the core Control Framework in support of Treasury Board requirements pertaining to procurement, management and control inventories**. Key accomplishments include:

- Investigated 1,141 NATO Stock Numbers (NSN) with a value of $944 million exceeding initial targets;
- Conducted a rationalization review, with attendant modernization of inventory processes, of 368,000 dormant NSNs, identifying 240,000 for archival and a second rationalization of 24,000 NSNs for disposal execution which will reduce inventory holdings and improve asset visibility and data clarity;

- Identified approximately 250,000 NSNs to be made historical and to be removed from the Defence Resource Management Information System active NSNs; and
- Conducted a detailed end to end review of all processes and policies, regardless of organization.

Sub-Program 6.10: Acquisition

2014-15 Budgetary Financial Resources (dollars)

Planned Spending	Actual Spending	Difference (actual minus planned)
14,602,760	76,672,691	62,069,931

2014-15 Human Resources (FTEs)

	Planned	Actual	Difference (actual minus planned)
Military – Regular Force	0	0	0
Civilian	114	148	34
TOTAL	114	148	34

Note: Due to rounding, figures may not add up to total shown.

SECTION III: SUPPLEMENTARY INFORMATION

Financial Statement Highlights

The financial information presented within this report is intended to serve as a general overview of Defence's financial position and operations.

Department of National Defence
Condensed Statement of Operations and Departmental Net Financial Position (unaudited)
For the Year Ended March 31, 2015
(dollars)

Financial Information	2014-15 Planned Results	2014-15 Actual	2013-14 Actual (restated)	Difference (2014-15 actual minus 2014-15 planned)	Difference (2014-15 actual minus 2013-14 actual)
Total expenses	18,561,144,000	19,154,881,516	18,395,385,909	593,737,516	759,495,607
Total revenues	408,724,000	600,889,739	463,299,848	192,165,739	137,589,891
Net cost of operations before government funding and transfers	18,152,420,000	18,553,991,777	17,932,086,061	401,571,777	621,905,716

Department of National Defence
Condensed Statement of Financial Position (unaudited)
For the Year Ended March 31, 2015
(dollars)

	2014-15	2013-14 (restated)	Difference (2014-15 minus 2013-14)
Total net liabilities	51,173,733,806	51,611,026,114	(437,292,308)
Total net financial assets	49,004,246,523	49,748,694,031	(744,447,508)
Departmental net debt	2,169,487,283	1,862,332,083	307,155,200
Total non-financial assets	39,443,088,596	39,376,740,666	66,347,930
Departmental net financial position	37,273,601,313	37,514,408,583	(240,807,270)

Financial Statements

The Department's financial statements[79] can be found on the National Defence website.

Supplementary Information Tables

All supplementary information tables listed in the *2014-15 Departmental Performance Report* can be found on the Defence website[80].

- Departmental Sustainable Development Strategy[81]
- Details on Transfer Payment Programs of $5 Million or More[82]
- Internal Audits and Evaluations[83]
- Response to Parliamentary Committees and External Audits[84]
- Status Report on Transformational and Major Crown Projects[85]
- Status Report on Projects Operating with Specific Treasury Board Approval[86]

Tax Expenditures and Evaluations

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals, and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in the *Tax Expenditures and Evaluations*[87] publication. The tax measures presented in the *Tax Expenditures and Evaluations* publication are the sole responsibility of the Minister of Finance.

SECTION IV: ORGANIZATIONAL CONTACT INFORMATION

Department of National Defence
101 Colonel By Drive
Ottawa, Ontario K1A 0K2
Canada
Web: http://www.forces.gc.ca

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APPENDIX: DEFINITIONS

appropriation: Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures: Include operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report: Reports on an appropriated organization's actual accomplishments against the plans, priorities, and expected results set out in the corresponding Reports on Plans and Priorities. These reports are tabled in Parliament in the fall.

full-time equivalent: Is a measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes: A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas - economic affairs, social affairs, international affairs, and government affairs.

Management, Resources and Results Structure: A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators, and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures: Include net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance: What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve and how well lessons learned have been identified.

performance indicator: A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy, or initiative respecting expected results.

performance reporting: The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability, and transparency.

planned spending: For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by 1 February. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

plans: The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priorities: Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

program: A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

results: An external consequence attributed, in part, to an organization, policy, program, or initiative. Results are not within the control of a single organization, policy, program, or initiative; instead they are within the area of the organization's influence.

Program Alignment Architecture: A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities: Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

Strategic Outcome: A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision, and core functions.

sunset program: A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level, and duration.

target: A measurable performance or success level that an organization, program, or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

whole-of-government framework: Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

ENDNOTES

Hyperlink Notice

The Department of National Defence and the Canadian Armed Forces 2014-15 Departmental Performance Report contains links to third-party sites. These links appear underlined in the main document, are written out in the endnotes section and, in electronic versions of the document, are clickable. The Department provides these links only as a service and convenience. We take no responsibility for the content at third-party sites and a link to them in no way implies an endorsement or recommendation of the products, services or information found there.

A third-party site may have a privacy policy different from that of the Department of National Defence and the Canadian Armed Forces. The Department disclaims all liability with regard to your access to linked websites. When you link to sites external to the Department of National Defence and the Canadian Armed Forces departmental website, you do so at your own risk.

The Department of National Defence and the Canadian Armed Forces makes every effort to ensure that our links to third party websites lead to content that is accessible and available in both official languages. However, that is not always feasible or possible.

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1 Communications Security Establishment, https://www.cse-cst.gc.ca/

2 Military Police Complaints Commission, http://www.mpcc-cppm.gc.ca/

3 Military Grievances External Review Committee, http://mgerc-ceegm.gc.ca/

4 Office of the Communications Security Establishment Commissioner, http://www.ocsec-bccst.gc.ca/

5 *National Defence Act*, http://laws-lois.justice.gc.ca/eng/acts/N-5/index.html

6 *Emergencies Act*, http://laws-lois.justice.gc.ca/eng/acts/E-4.5/index.html

7 *Aeronautics Act*, http://laws-lois.justice.gc.ca/eng/acts/A-2/index.html

8 *Fisheries Act*, http://laws-lois.justice.gc.ca/eng/acts/F-14/index.html

9 Legislation and National Defence, http://www.forces.gc.ca/en/about/legislation.page

10 The Department of National Defence and the Canadian Armed Forces, http://www.forces.gc.ca/

11 *Canada First* Defence Strategy, http://www.forces.gc.ca/en/about/canada-first-defence-strategy.page?

12 *Policy on the Management, Resources, and Results Structures*, http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=18218

13 Notes on Human Resources (FTE):

Regular Force:

- Regular Force personnel strength is measured by total strength and includes Vote 5 funded personnel and approximately 1,100 members on leave without pay (80 percent) related to parental leave).
    - Vote 5 funds are for Government contingencies, supplementing other appropriations to provide the Government with sufficient flexibility to meet miscellaneous, urgent or unforeseen departmental expenditures between Parliamentary supply periods.

Primary Reserve Class C:

- Primary Reserve Class C figures are reported separately to maintain the visibility of reservists employed full-time in support of deployed/contingency operations.
- For reporting purposes, Primary Reserve Class C are considered equivalent to the Regular Force personnel as they are entitled to equivalent pay, benefits and liability as a Regular Force member.
- Primary Reserve Class C is calculated as person year. For example, two Primary Reservists on Class C service for six months would count as one military FTE.

Civilian:

- The civilian workforce is planned through a salary wage envelope (SWE). For reporting purposes, the civilian workforce is measured by full-time equivalents (FTE). The FTE total includes all personnel tenure (indeterminate, term, casual and student employees) actively employed and calculated as person year. For example, two part-time employees sharing one position would count as one FTE.
- Civilian workforce planned FTEs are subject to final budgetary approval.
- Civilian FTEs do not include personnel on leave without pay.
- FTE figures in the 2014-15 DPR are not consistent 1:1 with the FTE figures used for the allocation of the financial resources approved for the 2014-15 Annual Reference Level Update.

14 Notes on Human Resources Reserve Force:

- The Primary Reserve are those personnel working in various capacities with the Canadian Armed Forces where Class A reservists perform part-time work and training, Class B reservists are employed full-time permanent (year-over-year) or

perform incremental full-time employment or training for one or more periods of more than 14 but less than 365 consecutive days within any one year period, and Class C reservists are employed full-time (for operations only) but with the equivalent pay, benefits and liability as a Regular Force member.

- The majority of Reservists serve on part-time (Class A) service. There is a significant reduction in Class A numbers during the summer as many personnel are away from their home units conducting training on short-term Class B status. In addition, some Primary Reserve members are inactive. For these reasons, total strength is not an accurate representation of those on duty. The portion of Primary Reserve that is on duty and receives payment is counted and reported as the Primary Reserve average paid strength (an annual monthly average).
- Primary Reserve average paid strength reporting, planning and allocations are based on monthly reports provided by Assistant Deputy Minister (Finance and Corporate Services)/Director Strategic Finance Costing and Assistant Deputy Minister (Information Management)/Director Human Resource Information Management (DHRIM).

[15] Canada's Reserve Force, http://www.forces.gc.ca/en/about-reports-pubs-departmental-performance/2014-2015/canadas-reserve-force.page

[16] Whole-of-government framework, http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx

[17] *Public Accounts of Canada 2015*, http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html

[18] Operations, http://www.forces.gc.ca/en/operations.page

[19] Incremental Costs for Major Canadian Armed Forces (CAF) Continental Operations, http://www.forces.gc.ca/en/about-reports-pubs-departmental-performance/2014-2015/incremental-costs-for-major-canadian-armed-forces-continental-operations.page

[20] Current Operations, http://www.forces.gc.ca/en/operations/current.page

[21] Operation CARIBBE, http://www.forces.gc.ca/en/operations-canada-north-america-recurring/op-caribbe.page

[22] Operations, http://www.forces.gc.ca/en/operations.page

[23] Incremental Costs for Major Canadian Armed Forces (CAF) International Operations, http://www.forces.gc.ca/en/about-reports-pubs-departmental-performance/2014-2015/incremental-costs-for-major-canadian-armed-forces-international-operations.page

[24] Operation IMPACT, http://www.forces.gc.ca/en/operations-abroad-current/op-impact.page

[25] Operation ARTEMIS, http://www.forces.gc.ca/en/operations-abroad-current/op-artemis.page

[26] Operation CALUMET, http://www.forces.gc.ca/en/operations-abroad-current/op-calumet.page

[27] Operation KOBOLD, http://www.forces.gc.ca/en/operations-abroad-current/op-kobold.page

[28] Operation CROCODILE, http://www.forces.gc.ca/en/operations-abroad-current/op-crocodile.page

[29] Operation SOPRANO, http://www.forces.gc.ca/en/operations-abroad-current/op-soprano.page

[30] Operation SNOWGOOSE, http://www.forces.gc.ca/en/operations-abroad-current/op-snowgoose.page

[31] Operation FOUNDATION, http://www.forces.gc.ca/en/operations-abroad-current/op-foundation.page

[32] Operation HAMLET, http://www.forces.gc.ca/en/operations-abroad-current/op-hamlet.page

[33] Operation JADE, http://www.forces.gc.ca/en/operations-abroad-current/op-jade.page

[34] Operation PROTEUS, http://www.forces.gc.ca/en/operations-abroad-current/op-proteus.page

[35] Operation REASSURANCE, http://www.forces.gc.ca/en/operations-abroad/nato-ee.page

[36] Exercise SABRE GLACE, http://www.army-armee.forces.gc.ca/en/news-publications/national-news-details-no-menu.page?doc=exercise-sabre-glace/htv7m9uw

[37] Operation NUNALIVUT, http://www.forces.gc.ca/en/operations-canada-north-america-recurring/op-nunalivut.page

[38] Operation NANOOK, http://www.forces.gc.ca/en/operations-canada-north-america-recurring/op-nanook.page

[39] Exercise MAPLE RESOLVE, http://www.army-armee.forces.gc.ca/en/exercises-2014/ex-maple-resolve.page

[40] Operational support hubs, http://www.forces.gc.ca/en/operations-support/os-hubs.page

[41] Support to Operations, http://www.forces.gc.ca/en/operations-support/operational-support.page

[42] Bringing northern issues to the table, http://www.forces.gc.ca/en/news/article.page?doc=bringing-northern-issues-to-the-table/hzvlshxh

[43] Operation LENTUS, http://www.forces.gc.ca/en/operations-canada-north-america/op-lentus.page

[44] CAF members assist with flood relief efforts in Manitoba, http://www.forces.gc.ca/en/news/article.page?doc=caf-members-assist-with-flood-relief-efforts-in-manitoba/hxnbc3z7

[45] The force of last resort: how the CAF respond to natural disasters across Canada, http://www.forces.gc.ca/en/news/article.page?doc=the-force-of-last-resort-how-the-caf-respond-to-natural-disasters-across-canada/hwriv2eb

[46] Quadrennial Search and Rescue Review, http://www.nss-snrs.gc.ca/en/quadrennialsarreview.page

[47] National Search and Rescue Secretariat, http://www.nss-snrs.gc.ca/

[48] Search and Rescue Canada, http://www.forces.gc.ca/en/operations-canada-north-america-current/sar-canada.page

[49] Operation DRIFTNET, http://www.forces.gc.ca/en/operations-canada-north-america-recurring/op-driftnet.page
[50] Operation SABOT, http://www.forces.gc.ca/en/operations-canada-north-america-recurring/op-sabot.page
[51] Operation PALACI, http://www.forces.gc.ca/en/operations-canada-north-america-recurring/op-palaci.page
[52] Canada and Sweden to Collaborate on Public Safety and Security Projects, http://news.gc.ca/web/article-en.do?nid=887499&_ga=1.238031232.1472622953.1435283381
[53] Canadian and American officials work together to improved cross-border communications, http://news.gc.ca/web/article-en.do?nid=912369
[54] Canadian Cadet Organizations, http://www.cadets.ca/
[55] Junior Canadian Rangers, http://www.jcr-rjc.ca/
[56] Special Operations Forces, http://www.forces.gc.ca/en/operations-special-forces/index.page
[57] Exercise RIMPAC, http://www.forces.gc.ca/en/operations-exercises/rimpac.page
[58] Exercise DETERMINED DRAGON, http://www.forces.gc.ca/en/operations-exercises/ddragon.page
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[60] Special Operations Forces, http://www.forces.gc.ca/en/operations-special-forces/index.page?
[61] Special Operations Forces, http://www.forces.gc.ca/en/operations-special-forces/index.page?
[62] Canada's Reserve Force, http://www.forces.gc.ca/en/about-reports-pubs-departmental-performance/2014-2015/canadas-reserve-force.page
[63] Strengthening Military Justice in the Defence of Canada Act, http://laws-lois.justice.gc.ca/eng/AnnualStatutes/2013_24/
[64] Bill C-15: Strengthening Military Justice in the Defence of Canada Act, http://www.forces.gc.ca/en/news/article.page?doc=bill-c-15-strengthening-military-justice-in-the-defence-of-canada-act/hjiq6lbg
[65] National Defence and Canadian Forces Ombudsman, http://www.ombudsman.forces.gc.ca/en/
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